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EU-28

Oilseeds and Products Annual

Record Rapeseed Production but Sunflower Production Down

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Report Highlights:
Total EU-28 oilseed production for marketing year (MY) 2014/15 is expected to reach 31.3 million metric tons (MMT), a decrease of 0.6 percent year-on-year. Rapeseed production is forecast to increase by 0.5 MMT to a record of 21.6 MMT. Sunflower production is anticipated to be down by 0.8 MMT at 7.9 MMT. Ample global soy supplies, combined with a growing European poultry and swine sectors, are expected to drive the use of soybean meal in animal feed.

Executive Summary:

Coordinator: Roswitha Krautgartner, FAS/Vienna

Production

Total European Union (EU) oilseeds area in MY 2014/15 is forecast to increase by about 1 percent to 12.1 million hectares (ha). The increase is a result of increased rapeseed, cottonseed and soybean area, while sunflower area is estimated to decline. However, conservative yield expectations, especially for sunflower, lead to a decline in total oilseeds production of 0.6 percent to 31.3 MMT. With a share of about 70 percent, rapeseed production remains the most important oilseed crop produced in the EU. The major increases in rapeseed acreage are expected in Romania and France, which will more than offset lower acreage in Poland, Germany, the Czech Republic and the United Kingdom. Rapeseed production is forecast to increase by 0.5 MMT and reach a record of 21.6 MMT. Sunflower seed production is estimated to decline to 7.9 MMT (minus 0.8 MMT) due to reduced acreage in Romania, Bulgaria and France and a return to more average yields compared to high yields in MY 2013/14. Although not a widely planted oilseed in Europe, soybean area is expected to increase, driven by the growing demand for non-biotech and locally produced protein feed. Total soybean production is forecast to be flat at 1.2 MMT. Total EU-28 oilseeds crush is estimated to be almost stable (minus 0.1 percent) which is a result of flat rapeseed crush, decreased sunflower seed crush but increased soybean and cottonseed crush.

Consumption and Trade

The EU-28 is highly dependent on imports of oilseeds and oilseeds products (protein meals and vegetable oils) to meet demand for food, feed and industrial uses, including biofuel production. This is especially true for oilseeds with no or limited domestic production, such as palm and soybean oil. Some 70 percent of soybean meal and almost 50 percent of sunflower meal must be imported. Only the production of rapeseed meal is on an average somewhat higher than demand. Total EU-28 oilseeds meal consumption in MY 2014/15 is estimated to be up by 0.8 percent year-on-year reaching 51.1 MMT. The anticipated recovery of the European swine industry and long-term rising consumer demand for poultry meat are driving higher demand for protein feed. Ample world supplies of soybeans and soybean meal, leading to competitive prices, favor the use of soybean products. Use of sunflower meal is expected to decline because of lower availability. Total use of vegetable oils is forecast to be stable at 24.4 MMT. The production of biodiesel, the second largest use of vegetable oils after food, is still expanding, although at a much slower pace than previously anticipated. Most EU-28 biodiesel production uses rapeseed oil as the main feedstock. However, palm oil, because of its price competitiveness, has been increasingly used in biofuels production, particularly in The Netherlands. The use of palm oil in biofuels production is anticipated to plateau since the major producer in Rotterdam is at full capacity.

Policy

The EU is dependent on imported protein feed and some policy makers see this as a food security vulnerability and they may also link negative environmental and social issues to foreign soybean production. For example, on March 7, 2011, a Member of the European Parliament, Martin Häusling, released a report titled, "EU Protein Deficit: what solution for a long standing problem" that encourages policies designed increase domestic production of vegetable proteins as a substitute for imports.

Introduction

This report presents the outlook for oilseeds in the EU-28. The data in this report is based on the views of Foreign Agricultural Service (FAS) analysts in the EU and is not official USDA data.

This report was a group effort of the following FAS analysts:

Xavier Audran	FAS/Paris covering France
Ornella Bettini	FAS/Rome covering Italy and Greece
Mila Boshnakova	FAS/Sofia covering Bulgaria
Bob Flach	FAS/The Hague covering the Benelux Countries, Sweden, Finland, and Denmark
Marta Guerrero	FAS/Madrid covering Spain and Portugal
Monica Dobrescu	FAS/Bucharest covering Romania
Mira Kobuszynska	FAS/Warsaw covering Poland, Estonia, Latvia, and Lithuania
Roswitha Krautgartner	FAS/Vienna covering Austria and Slovenia
Jana Mikulasova	FAS/Prague covering the Czech Republic and Slovakia,
Andreja Misir	FAS Zagreb/covering Croatia
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The FAS EU-28 oilseeds reporting team would like to thank Yoonhee Macke from FAS/OGA for her valuable input and support.

Abbreviations used in this report

Benelux	= Belgium, the Netherlands, and Luxembourg
CAP	= EU common agricultural policy
CY	= Calendar year
e	= Estimate (of a value/number for the current, not yet completed, marketing year)
EU-28	= European Union of 27 member states (Austria, Belgium, Bulgaria, Croatia, Cyprus, Czech Republic, Denmark, Estonia, France, Finland, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden, United Kingdom)
EFSA	= European Food Safety Authority
f	= Forecast (of a value/number for the next, not yet started, marketing year)
FSW	= Feed, Seed, Waste
Ha	= Hectares
GE	= Genetically engineered / Genetically engineered organisms
GHG	= Greenhouse gas
MT	= Metric ton (1000 kg)
MMT	= Million metric tons
MS	= EU Member State(s)
MY	= Marketing year
NUTS2	= Nomenclature of Units for Territorial Statistics level 2 = code for regions within a country
RED	= Renewable Energy Directive
RSPO	= Round Table on Sustainable Palm Oil
SME	= Soybean meal equivalent
U.K.	= United Kingdom
U.A.E.	= United Arabic Emirates
U.S.	= The United States of America

In this report "**biofuel**" includes only biofuels used in the transport sector. Biomass/biofuel used for electricity production or other technical uses such as lubricants or in detergents are included in "**industrial use**".

The marketing years used in this report are:

January - December
Copra complex
Palm Kernel complex
Palm Oil
Fish Meal

July-June
Rapeseed complex

October -September
Soybean complex
Sunflower complex
Cottonseed complex
Peanut complex

November - October
Olive Oil

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1. Total Oilseeds

Coordinator: Roswitha Krautgartner, FAS/Vienna

Note: Total oilseeds include different marketing years with different beginning and ending months.

Total Oilseeds – Seeds

Commodity:	Total Oilseeds					
Marketing Year	MY 2012/13		MY 2013/14		MY 2014/15	
	USDA Official	Post New	USDA Official	Post New	USDA Official	Post New
Area	11,307	11,220	11,873	11,966		12,084
Beginning Stocks	3,392	3,392	1,657	2,572		3,202
Production	27,693	28,021	31,181	31,513		31,310
Extra EU27 imports	16,947	17,010	16,723	16,659		16,335
TOTAL SUPPLY	48,032	48,423	49,561	50,744		50,847
Extra EU27 exports	753	763	1,146	1,293		1,053
Crush	42,358	41,831	42,298	42,708		42,669
Food Use	1,122	1,154	1,078	1,101		1,106
Feed, Seed, Waste	2,155	2,103	2,271	2,440		2,427
TOTAL DOMESTIC USE	45,509	45,088	45,647	46,249		46,202
Ending Stocks	1,647	2,572	2,768	3,202		3,592
TOTAL DISTRIBUTION	48,032	48,423	49,561	50,744		50,847
1000 HA, 1000 MT						

Source: FAS EU-28

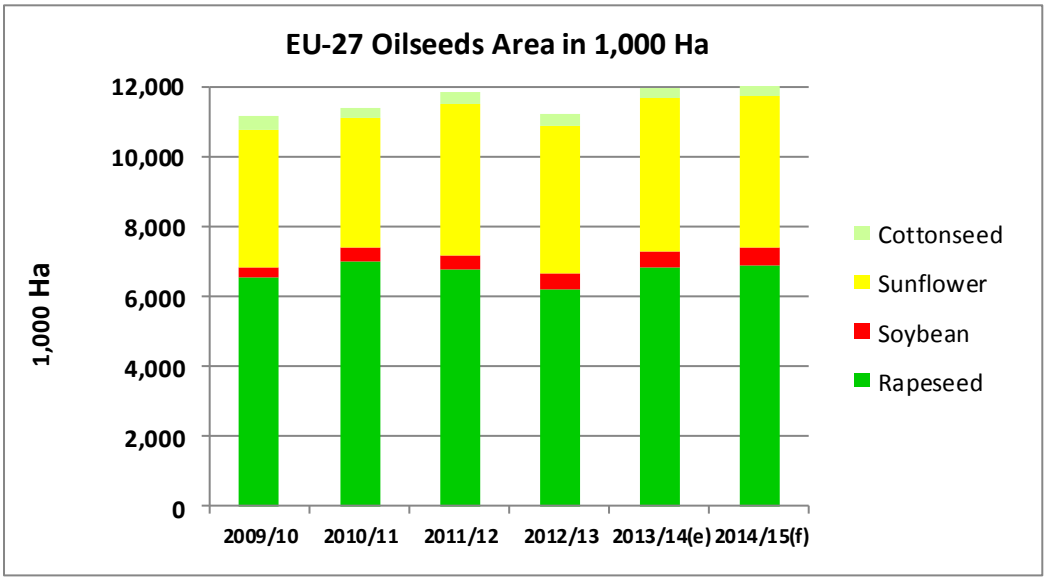
EU-28 Total Oilseeds Area

MY 2014/15

Total EU-28 oilseeds area in MY 2014/15 is forecast to increase by 1 percent compared to the previous year and is expected to reach 12.1 million ha. The increase is explained by an expansion in the area of rapeseed, cottonseed and soybeans which is partially offset by reduced sunflower area.

MY 2013/14

In MY 2013/14, total EU-28 oilseeds area is up by 6.7 percent, mainly due to a rebound in rapeseed area.



Note: The years refer to the calendar year in which the harvest occurs (e.g. 2013 = harvested in CY 2013, marketed in MY 2013/14)
Source: FAS EU-28

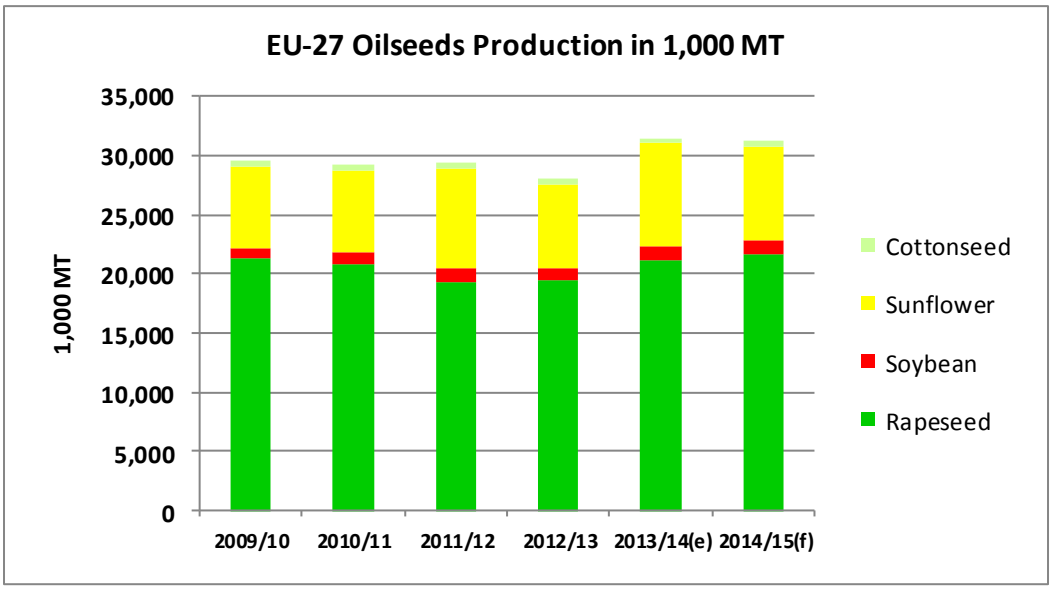
EU-28 Total Oilseeds Production

MY 2014/15

Expectations for total EU-28 oilseeds production in MY 2014/15 are for a 0.6 percent decrease to 31.3 MMT. Compared to the previous year, rapeseed and cottonseed production is forecast to grow whereas soybean production is expected to be stable and sunflower production to be lower. The decrease is through lower acreage and a return to normal yields for sunflower seed, which were high in MY 2013/14.

MY 2013/14

Year-on-year total EU-28 oilseeds production is up by 12.5 percent in MY 2013/14 which is basically the result of bumper sunflower and rapeseed crop.



Note: The years refer to the calendar year in which the harvest occurs (e.g. 2013 = harvested in CY 2013, marketed in MY 2013/14)
Source: FAS EU-28

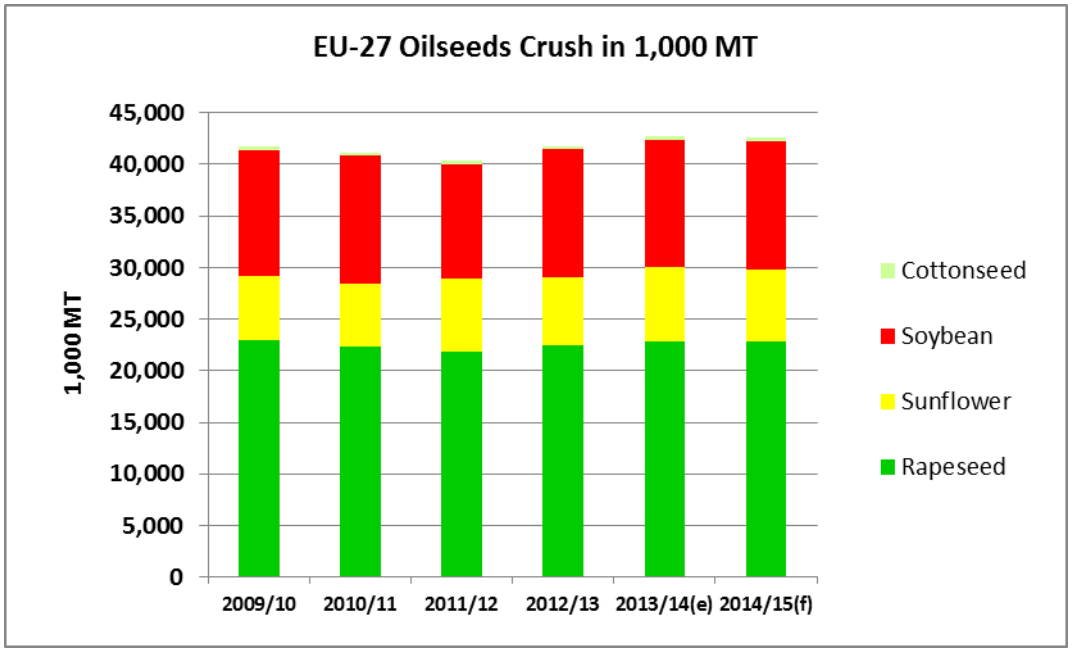
EU-28 Total Oilseeds Crush

MY 2014/15

Total EU-28 oilseeds crush is expected to decline by 0.1 percent to 42.7 MMT which is a result of decreased sunflower seed crush but increased soybean and cottonseed crush.

MY 2013/14

Increased sunflower production in MY 2013/14 brings an estimated 2 percent increased total crush of 42.7 MMT.



Note: Crush for olive oil production is not included
Source: FAS EU-28

Total Oilseed – Meals

Commodity: Marketing Year	Total Meals					
	MY 2012/13		MY 2013/14		MY 2014/15	
	USDA Official	Post New	USDA Official	Post New	USDA Official	Post New
Crush	42,358	41,831	42,298	42,723		42,669
Extraction Rate						
Beginning Stocks	1,177	1,177	248	550		718
Production	27,428	26,459	27,289	26,949		26,921
Extra EU27 imports	23,408	23,269	26,134	25,002		25,066
TOTAL SUPPLY	52,013	50,906	53,671	52,501		52,706
Extra EU27 exports	1,118	1,165	1,281	1,091		1,026
Industrial	510	510	560	510		510
Biofuels Use						
Food Use	32	32	32	32		30
Feed, Seed, Waste	50,105	48,632	51,140	50,133		50,513
TOTAL DOMESTIC USE	50,647	49,174	51,732	50,675		51,053
Ending Stocks	248	550	658	718		603
TOTAL DISTRIBUTION	52,013	50,906	53,671	52,501		52,706
1000 MT, PERCENT						

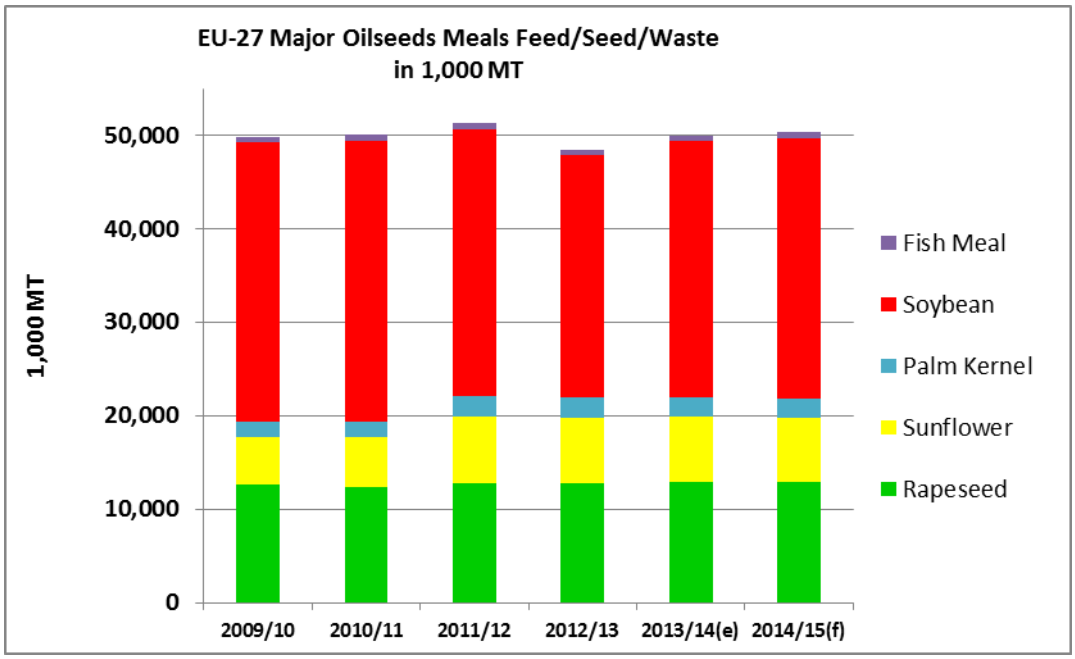
Source: FAS EU-28

MY 2014/15

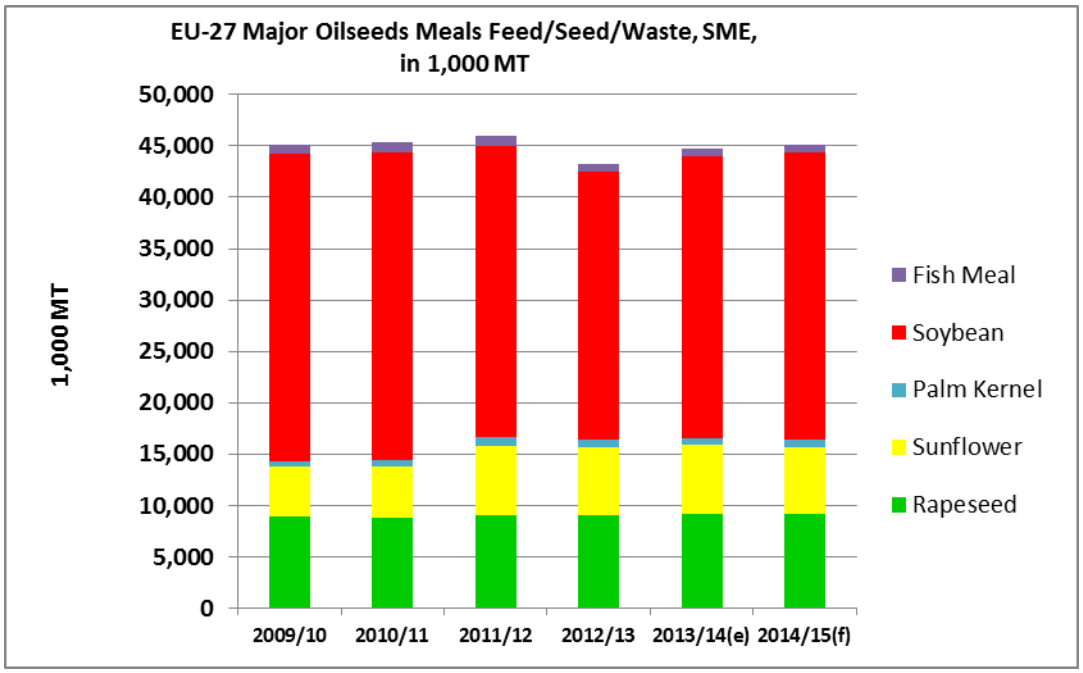
In line with the somewhat lower crush in MY 2014/15, EU-28 total oilseeds meal production is expected to decline by 0.1 percent to 26.9 MMT. Total supply of oilseed meals is forecast to be 0.4 percent higher due to bigger beginning stocks and increased imports.

MY 2013/14

A recovering livestock sector in MY 2013/14 boosts oilseeds meal use in animal feed.



Source: FAS EU-28



Source: FAS EU-28

Total Oilseeds – Oils

Commodity: Marketing Year	Total Oils					
	MY 2012/13		MY 2013/14		MY 2014/15	
	USDA Official	Post New	USDA Official	Post New	USDA Official	Post New
Crush	42,343	41,816	42,278	42,708		42,654
Extraction Rate						
Beginning Stocks	1,346	1,346	1,234	1,205		1,362
Production	16,473	16,099	17,155	17,350		17,287
Extra EU27 imports	9,835	9,883	9,471	9,326		9,180
TOTAL SUPPLY	27,654	27,328	27,860	27,881		27,829
Extra EU27 exports	2,412	2,405	2,020	2,084		1,999
Industrial	11,018	2,580	11,000	2,450		2,400
Biofuels		8,280	210	8,945		8,950
Food Use	12,619	12,376	12,725	12,611		12,589
Feed, Seed, Waste	371	482	373	429		427
TOTAL DOMESTIC USE	24,008	23,718	24,308	24,435		24,366
Ending Stocks	1,234	1,205	1,532	1,362		1,464
TOTAL DISTRIBUTION	27,654	27,328	27,860	27,881		27,829
1000 MT, PERCENT						

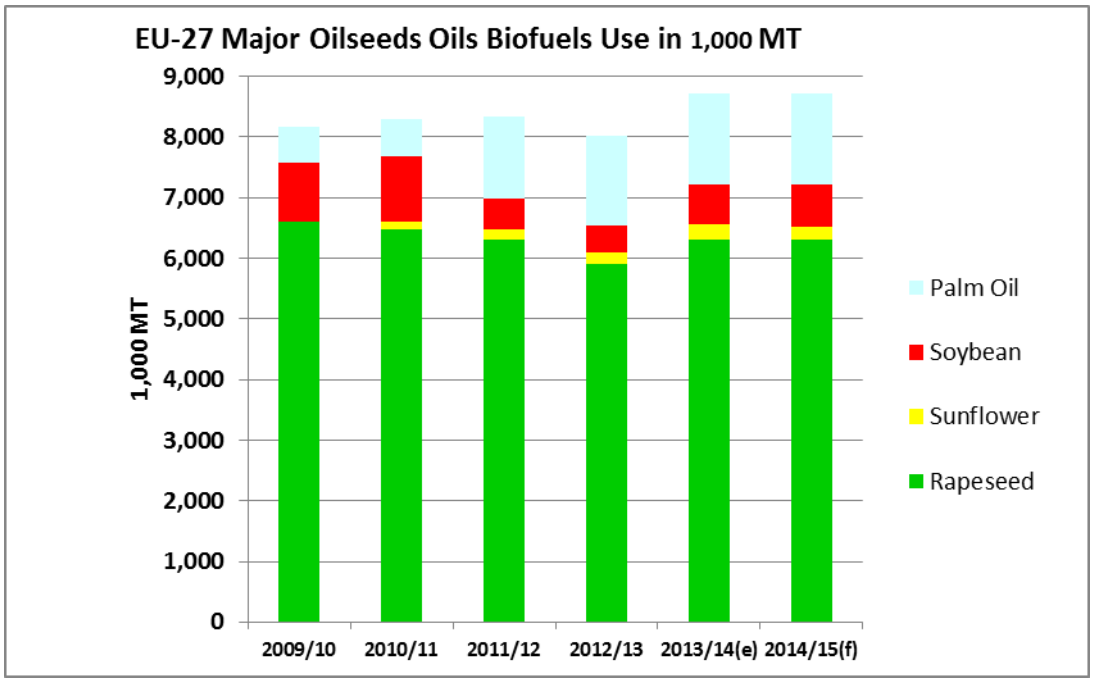
Source: FAS EU-28

MY 2014/15

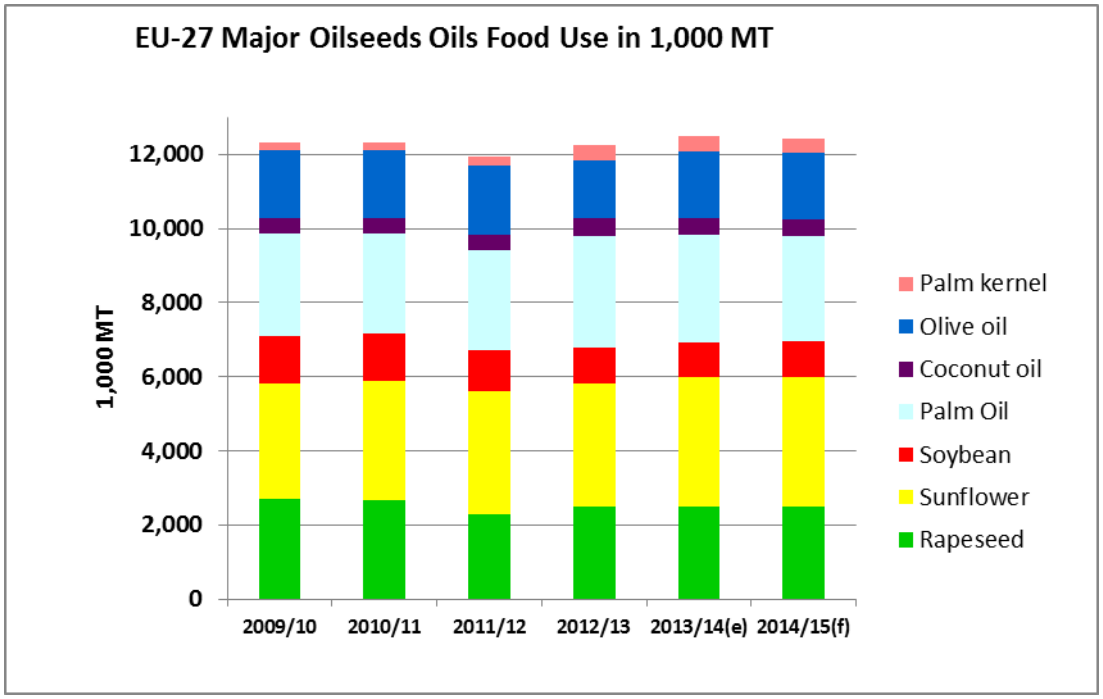
In line with the lower domestic production of oilseeds and the somewhat lower crush, EU-28 oilseeds oil production in MY 2014/15 is expected to be down by 0.4 percent but should reach 17.3 MMT. Total domestic use of oils is also expected to decrease by 0.3 percent to 24.4 MMT. The use of oilseeds oils for biofuels production is forecast to remain almost flat at 8.9 MMT. This is a result of increased use of soybean oil replacing sunflower oil. Rapeseed oil remains the primary feedstock for biodiesel.

MY 2013/14

Ample supplies of domestically produced oilseeds in MY 2013/14 lead to increased production of oilseeds oils totaling at 17.4 MMT ending up in increased use and higher stocks.



Source: FAS EU-28



Source: FAS EU-28

2. Soybean Complex
Coordinator: Xavier Audran, FAS/Paris

Soybeans

Oilseed, Soybean European Union	2012/2013		2013/2014		2014/2015	
	Market Year Begin: Oct 2012		Market Year Begin: Oct 2013		Market Year Begin: Oct 2014	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted	480	431	530	470		480
Area Harvested	427	431	460	470		480
Beginning Stocks	537	537	306	700		670
Production	998	957	1,245	1,230		1,230
MY Imports	12,506	12,513	12,300	12,200		12,500
MY Imp. from U.S.	2,919	2,919	2,500	3,000		3,200
MY Imp. from EU	0		0			
Total Supply	14,041	14,007	13,851	14,130		14,400
MY Exports	92	58	80	50		50
MY Exp. to EU	0		0			
Crush	12,743	12,417	12,350	12,350		12,500
Food Use Dom. Cons.	120	150	120	160		160
Feed Waste Dom. Cons.	780	682	800	900		890
Total Dom. Cons.	13,643	13,249	13,270	13,410		13,550
Ending Stocks	306	700	501	670		800
Total Distribution	14,041	14,007	13,851	14,130		14,400
1000 HA, 1000 MT						

Source: FAS EU-28

General

In the EU-28, soybean area and production are negligible relative to those of other oilseed crops: they account for 4 percent of total oilseeds area and production while the bulk of production consists of rapeseed and sunflower seed.

Soybean production is also marginal compared to domestic demand, mainly driven by animal feed use of soybean meal. Soybean meal is the preferred meal used in animal feed rations, accounting for 60 percent of the vegetable meals consumed. Most of it is sourced from imported soybeans crushed in the EU and from soybean meal directly imported into the EU-28. Domestically-grown soybeans account for less than 10 percent of total soybeans crushed in the EU, and more than 70 percent of soybean meal used in feed is imported.

Most soybeans traded internationally are produced from genetically engineered (called GE or GMO) varieties. This means that most of the soy in the EU is by default GMO, although there is a segment of the meat an dairy market that prefers animals that have not fed been fed using GE soy. One regional movement working in this regard is the "Danube Soya Association," a non-governmental association supported by the Austrian government that promotes the production and processing of non-biotech soybeans in the Danube region. Since January 2013, 16 countries or regions have taken part of this initiative and signed the "Danube Soya Declaration." The goal is to produce up to 15 percent of Europe's soybean needs and to generate long term demand for GMO free soybeans. The market for 'non-GMO' soy suffered a setback in February, when the German Poultry Producers Association announced they were ending their 14 year old pledge to use only non-GMO feed. Recent analysis by the German Association for Animal Feed (DVT) has added a significantly to the discussion. Their comparison of farm input prices for non-GMO soymeal and GMO soymeal shows a high and quite volatile premiums and the GMO/non-GMO spread reached as high as nearly €150 a ton in July 2013.

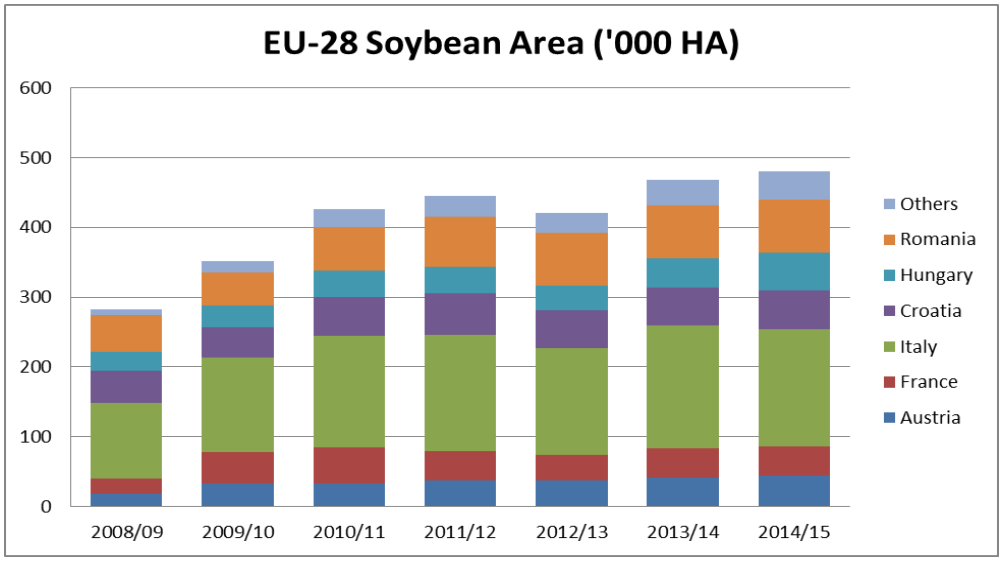
In France, both the Government and the industry favor reducing imported protein-rich animal feed, preferably opting for more domestically-grown rapeseed and field pea production, rather than an increased domestic soybean production.

'Sustainability' certification of soybeans is also becoming more common, driven by both the EU's Renewable Energy Directive (RED), which covers biodiesel made from soy, and by food retailers using 'sustainability' as a marketing tool for dairy and meats.

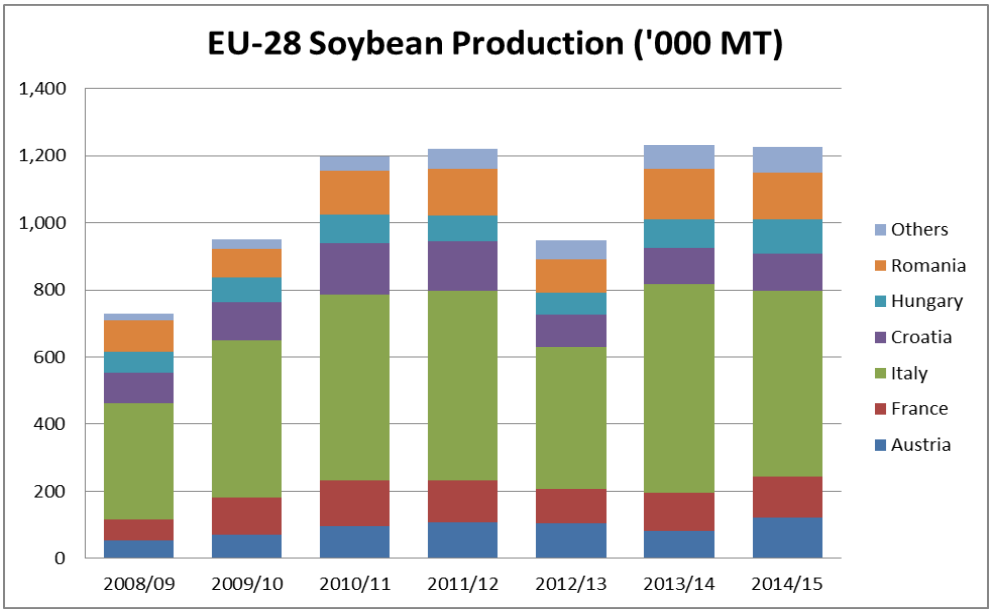
MY 2014/15

Production

In MY 2014/15, EU-28 soybean production is estimated to remain stable from its level of MY 2013/14, following high Italian production in MY 2013/14, where half of the European production is located. Secondary producers are Romania, Austria, France, and Hungary. While in Italy, area planted to soybean in MY 2014/15 is expected to decline slightly, soybean area in Austria and Hungary will increase.

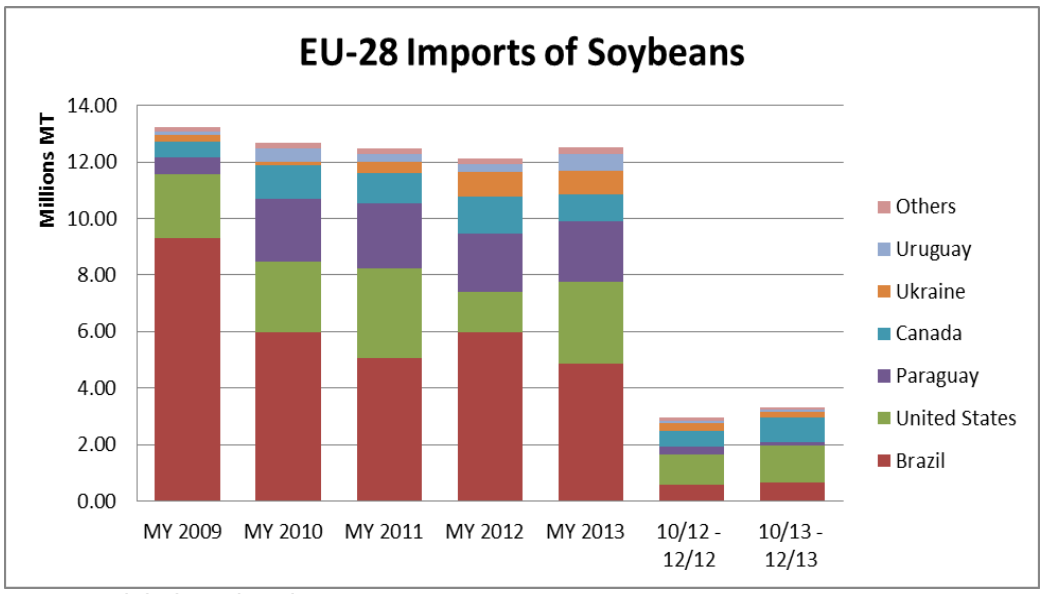


Source: FAS EU-28



Source: FAS EU-28

Trade



Source: Global Trade Atlas

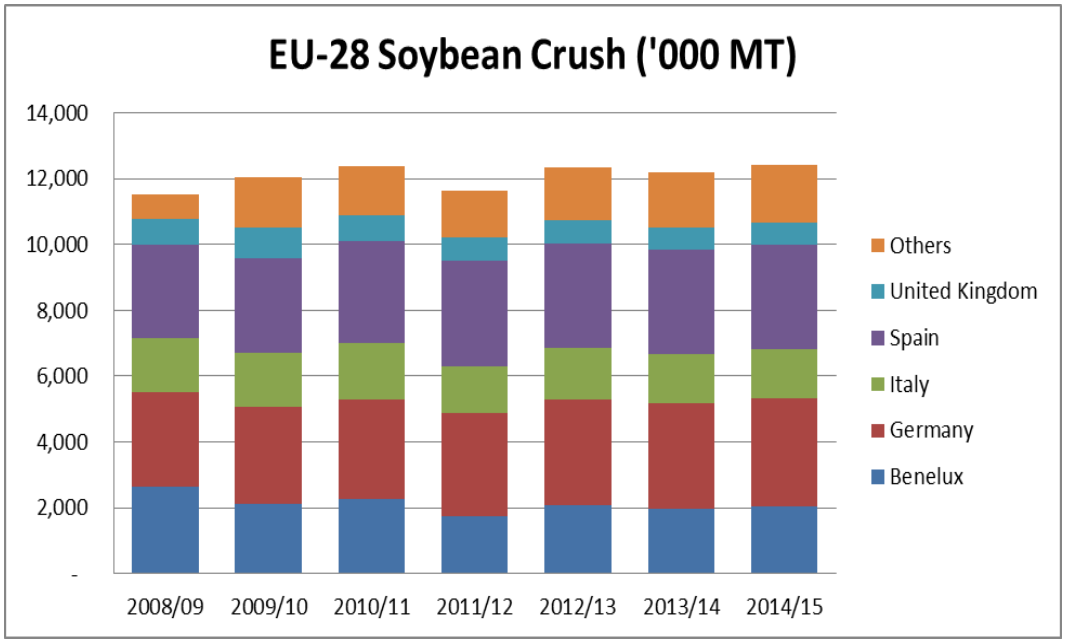
In MY 2014/15, EU-28 soybean imports are expected to increase marginally to 12.5 million MT due to stable crush demand.

EU-28 imports of soybeans have remained stable in the past few years, as EU operators looking for soy protein now increasingly prefer to import soybean meal rather than soybeans, and the European crushing capacity has expanded for rapeseed and sunflower seed while soybean crush capacity has remained stagnant. While slowly declining, Brazilian soybeans continue to dominate European imports, with about half of all shipments. Paraguay and Ukraine have gradually increased market share. The United States and Canada are the EU-28's leading suppliers of soybeans from the Northern hemisphere. They continue to represent a significant share of EU imports, as their supply complements South America's, so that the EU-28 livestock and poultry industry be supplied with soybean products year round.

The European demand for soybeans is anticipated to reflect increased demand from the poultry sector. Poultry feed accounts for the largest share of soybean meal, followed by swine, and cattle. Also, poultry is the animal category where substituting soybean meal with other meals is the most difficult. In many parts of Europe, economic conditions favor consumption of less expensive meats such as poultry.

Crush

In the EU-28, the largest crushers are Spain, Germany, and the Benelux. A higher crush, 12.5 MMT is anticipated in MY 2014/15, in line with import trends. This is a result of higher feed demand from poultry and swine, ample world supplies and competitive prices relative to other feedstocks.



Source: FAS EU-28

MY 2013/14

Soybean area and production were revised upward in MY 2013/14 after a poor MY 2012/13 crop. Italy continued to be the leading EU soybean producer. In some member States such as Hungary, Croatia and to a lesser extent, Austria, full fat soybeans are used directly in animal feed.

The EU soybean crush was decreased slightly to 12.35 MMT, accounting for 29 percent of the overall EU oilseeds crush.

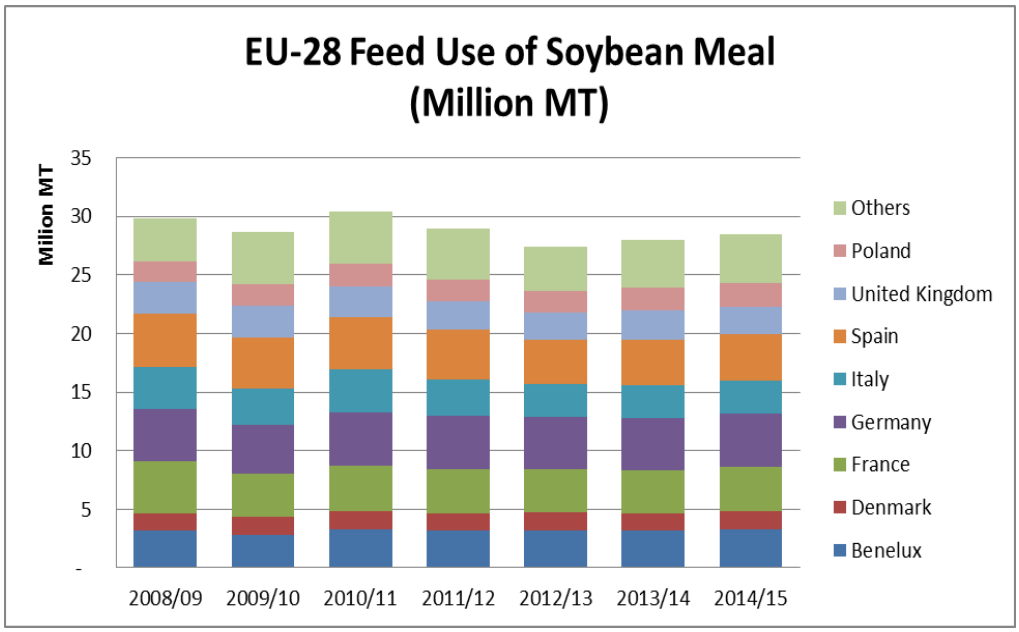
Soybean Meal

Meal, Soybean European Union	2012/2013		2013/2014		2014/2015	
	Market Year Begin: Oct 2012		Market Year Begin: Oct 2013		Market Year Begin: Oct 2014	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Crush	12,743	12,417	12,350	12,350		12,500
Extr. Rate, 999.9999	1	1	1	1		1
Beginning Stocks	371	371	77	352		410
Production	10,194	9,750	9,855	9,700		9,800
MY Imports	16,943	16,827	19,100	18,200		18,500
MY Imp. from U.S.	1,396	1,396	1,200	1,200		1,300
MY Imp. from EU	0		0			
Total Supply	27,508	26,948	29,032	28,252		28,710
MY Exports	537	554	700	400		400
MY Exp. to EU	0		0			0
Industrial Dom. Cons.	10	10	10	10		10
Food Use Dom. Cons.	32	32	32	32		30
Feed Waste Dom. Cons.	26,852	26,000	27,919	27,400		27,900
Total Dom. Cons.	26,894	26,042	27,961	27,442		27,940
Ending Stocks	77	352	371	410		370
Total Distribution	27,508	26,948	29,032	28,252		28,710
1000 MT, PERCENT						

Source: FAS EU-28

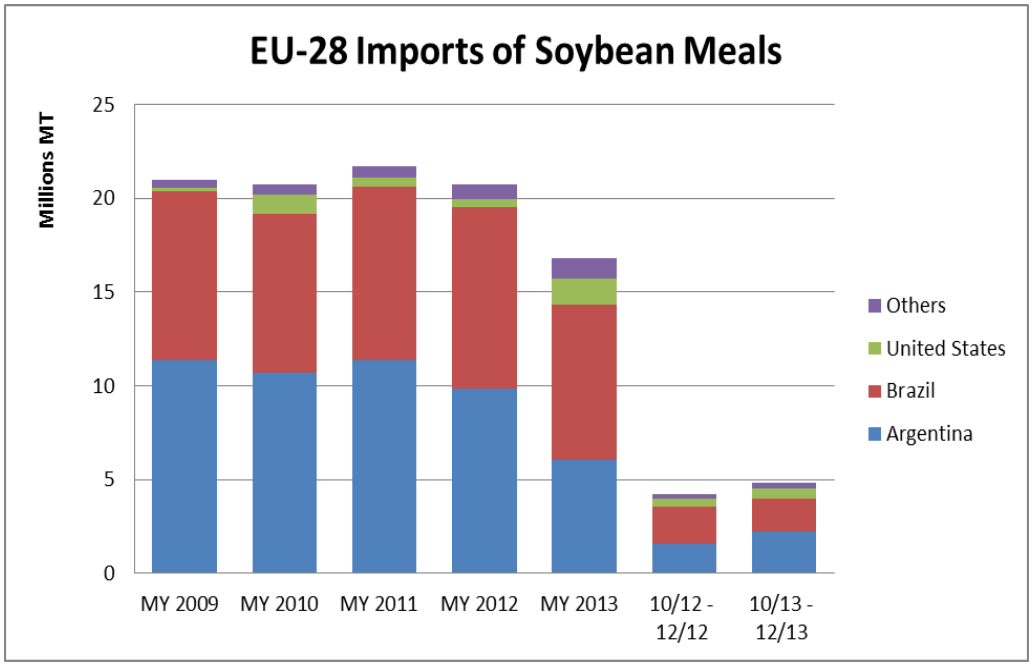
General

The largest consumers of soybean meal in animal feed are also leading producers of livestock, poultry and dairy. More than 70 percent of soybean meal consumed for animal feed in the EU is in Spain, Germany, France, the Benelux, Italy, and the United Kingdom.



Source: FAS EU-28

Brazil and Argentina supply the bulk of soybean meal to the EU. India remains a marginal supplier compared to Brazil and Argentina, but its market share has increased significantly in the past years, as a supplier of non-biotech soybean meal to the EU.



Source: Global Trade Atlas

MY 2014/15

The anticipated recovery of the European swine industry and long-term rising consumer demand for poultry meat, as the cheapest meat products, is expected to favor a higher use of soybean meal in animal feed. Stronger demand would trigger supply, with a slight increase in both production and imports, favored by competitive soybean meal prices and a result of the ample world supply from North and South America.

MY 2013/14

EU imports and feed of soybean meal are expected to be higher than in MY 2012/13 driven by the demand from feed compounders. It is however likely to the second lowest import volume of soybean meal in the EU-28 for the past 10 years, due to the increased long term competition from locally-supplied and imported rapeseed meal and sunflower meal and current high soybean prices.

The market share for non-biotech soybean meal is changing in the EU. While most non-biotech soybean products are traditionally supplied by Brazil, the EU seems to be diversifying its sources. India is a still a minor supplier of soybean meal to the EU compared to Argentina and Brazil. Nevertheless, India doubled its export to EU-28 destinations in 2012/13, with almost 15 percent of total exports. France, where the share of non-biotech is estimated at 20 percent of the demand for soybean meal, made almost half of India's exports to the EU. The market for 'non-GMO' soy suffered a setback in February 2014, when the German Poultry Producers Association announced they were ending their 14 year old pledge to use only non-GMO feed.

Soybean Oil

Oil, Soybean European Union	2012/2013		2013/2014		2014/2015	
	Market Year Begin: Oct 2012		Market Year Begin: Oct 2013		Market Year Begin: Oct 2014	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Crush	12,743	12,417	12,350	12,350		12,500
Extr. Rate, 999.9999	0	0	0	0		0
Beginning Stocks	148	148	102	89		99
Production	2,317	2,300	2,242	2,250		2,300
MY Imports	300	294	320	260		260
MY Imp. from U.S.	0	6	0	5		5
MY Imp. from EU	0		0			
Total Supply	2,765	2,742	2,664	2,599		2,659
MY Exports	1,013	1,013	750	700		700
MY Exp. to EU	0		0			
Industrial Dom. Cons.	790	600	820	810		860
Food Use Dom. Cons.	800	1,000	890	950		950
Feed Waste Dom. Cons.	60	40	60	40		40
-	0		0			
Total Dom. Cons.	1,650	1,640	1,770	1,800		1,850
Ending Stocks	102	89	144	99		109
Total Distribution	2,765	2,742	2,664	2,599		2,659
1000 MT, PERCENT						

Source: FAS EU-28

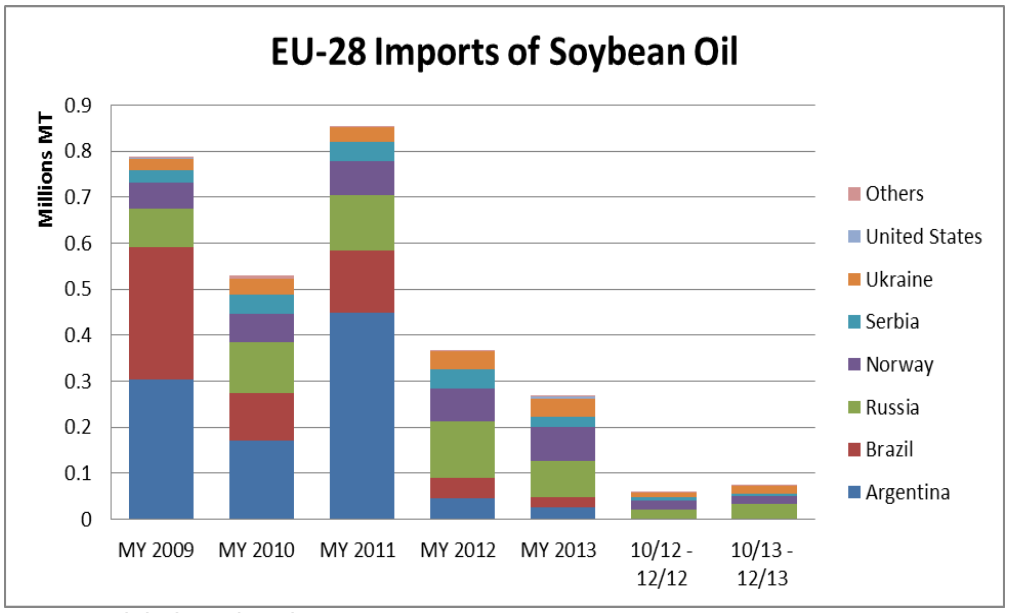
Breakout of EU-28 Industrial Uses for Soybean Oil in 1000 MT

	MY 2012/13	MY 2013/14	MY 2014/15
Biofuels Use	430	650	700
Other Industrial Uses	170	160	160
Total Industrial Use	600	810	860

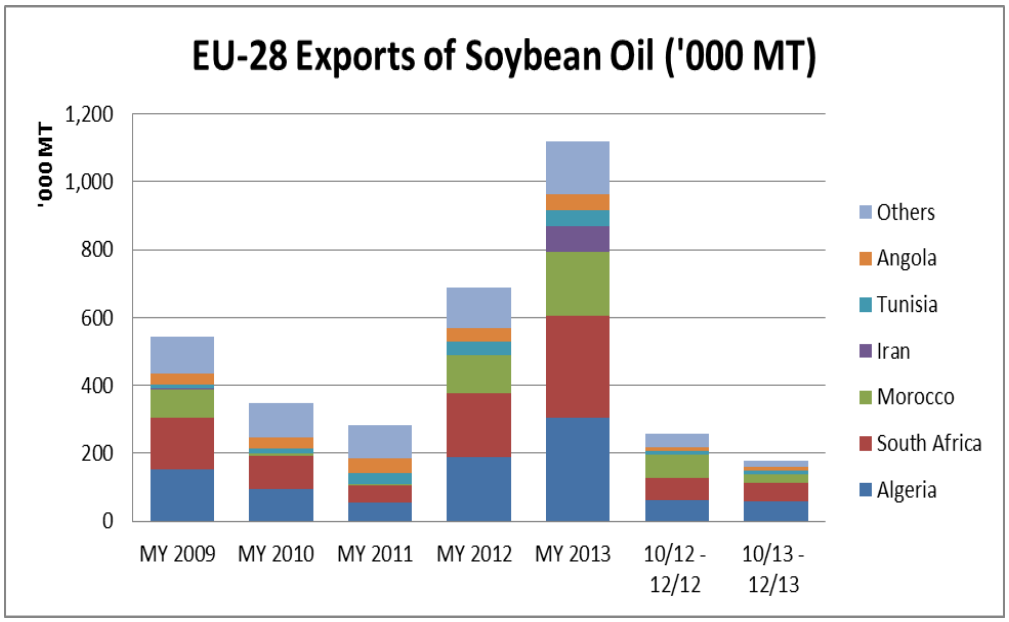
Source: FAS EU-28

General

Until 2010/11, the EU-28 was a net importer of soybean oil, mainly used to produce biodiesel. Since MY 2011/12 however, the EU-28 has become a net exporter of soybean oil, with exports at least twice as high as imports. As a result of the implementation of the RED, soybean oil became more difficult to use as a feedstock for the biodiesel industry, and the EU has preferably imported biodiesel from Argentina and Indonesia rather than soybean oil and palm oil for these countries, respectively. Soybean oil produced after crushing imported beans was therefore re-exported. Export destinations mainly include South Africa, Algeria and Morocco. Interestingly, North African countries were traditional export markets for soybean oil for the EU-28 before the biodiesel industry developed in Europe in the 1990's.
The largest exporters of soybean oil within the EU-28 are Spain, Germany and the Benelux, which are also the largest crushers. In these countries, soybean meal produced by crushing beans is used for feeding animals within the EU, while a significant share of the soybean oil produced is re-exported to South Africa, Algeria, Morocco, and Tunisia.



Source: Global Trade Atlas



Source: Global Trade Atlas

MY 2014/15

In MY 2013/14, the EU demand for soybean oil is expected to be stable, mainly due to stagnant demand in food use, to 0.95 million MT, hampered by higher palm oil, sunflower oil, and olive oil consumption. Use of soybean oil for biodiesel is expected to slightly recover to 700,000 MT from the previous year, due to the implementation of anti-dumping measures by the EU on Argentine and Indonesian exports of biodiesel to the EU, but still to remain low relative to the 5-year average. Exports are anticipated to remain high, although not at the record level of MY 2012/13.

Production is estimated to be stable as a result of stagnant crush numbers. Imports are anticipated to remain at low levels, keeping the EU a net exporter of soybean oil, with exports about two and a half larger than imports.

MY 2013/14

The EU demand for soybean oil is estimated to be up, mainly due to the implementation of anti-dumping measures by the EU on Argentine and Indonesian exports of biodiesel to the EU. By contrast, food use of soybean oil is estimated to be down to 0.95 million MT, as a result of higher sunflower oil and olive oil supplies.

3. Rapeseed Complex

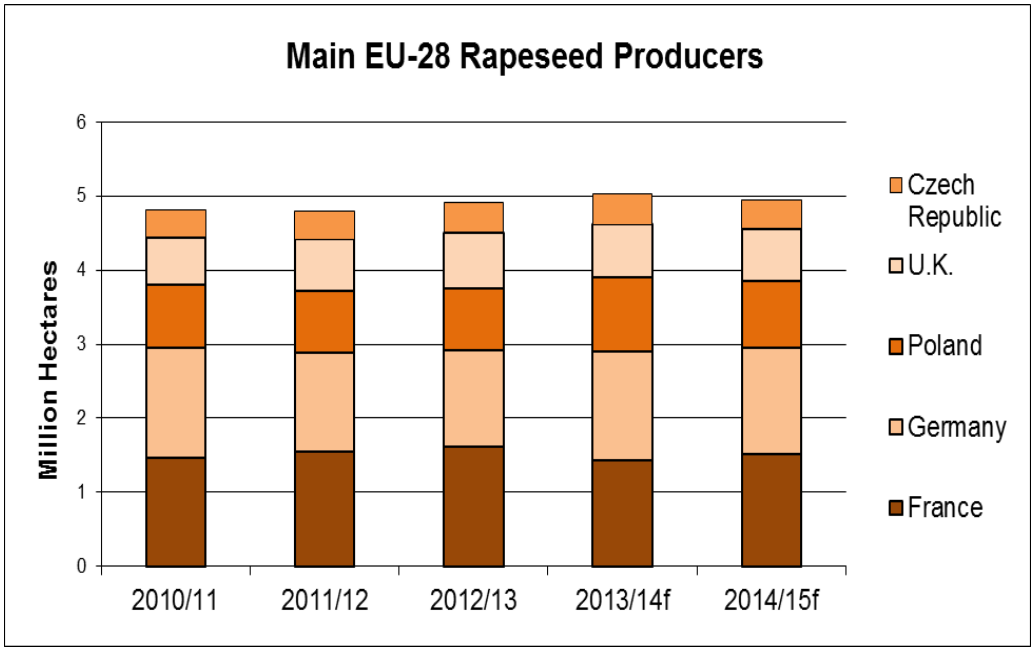
Coordinator: Leif Erik Rehder, FAS/Berlin

Rapeseed

Oilseed, Rapeseed European Union	2012/2013		2013/2014f		2014/2015f	
	Market Year Begin: Jul 2012		Market Year Begin: Jul 2013		Market Year Begin: Jul 2014	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted	6,900	6,900	7,000	7,000		6,900
Area Harvested	6,235	6,198	6,740	6,800		6,900
Beginning Stocks	2,197	2,197	1,158	1,585		2,035
Production	19,210	19,450	20,850	21,100		21,600
MY Imports	3,378	3,378	3,400	3,400		2,800
MY Imp. from U.S.	0	0	0	0		0
MY Imp. from EU	0	0	0	0		0
Total Supply	24,785	25,025	25,408	26,085		26,435
MY Exports	93	90	270	400		400
MY Exp. to EU	0	0	0	0		
Crush	22,680	22,500	22,670	22,800		22,800
Food Use Dom. Cons.	0	0	0	0		
Feed Waste Dom. Cons.	854	850	860	850		850
Total Dom. Cons.	23,534	23,350	23,530	23,650		23,650
Ending Stocks	1,158	1,585	1,608	2,035		2,385
Total Distribution	24,785	25,025	25,408	26,085		26,435
1000 HA, 1000 MT						

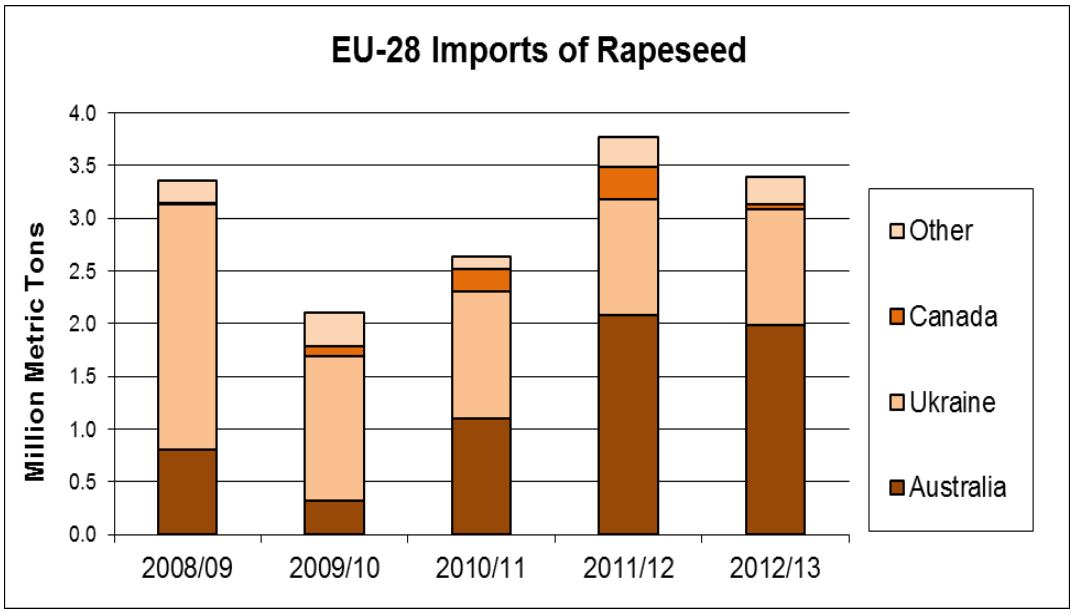
Source: FAS EU-28

The EU is the world's largest producer of rapeseed and products. The two largest producers of rapeseed in the EU are Germany and France, followed by the U.K., Poland, and the Czech Republic. Rapeseed meal is used in the livestock sector as the EU is a leading producer and exporter of meat and dairy products. Main driver for the demand of rapeseed oil is the biodiesel industry.



Source: FAS EU-28

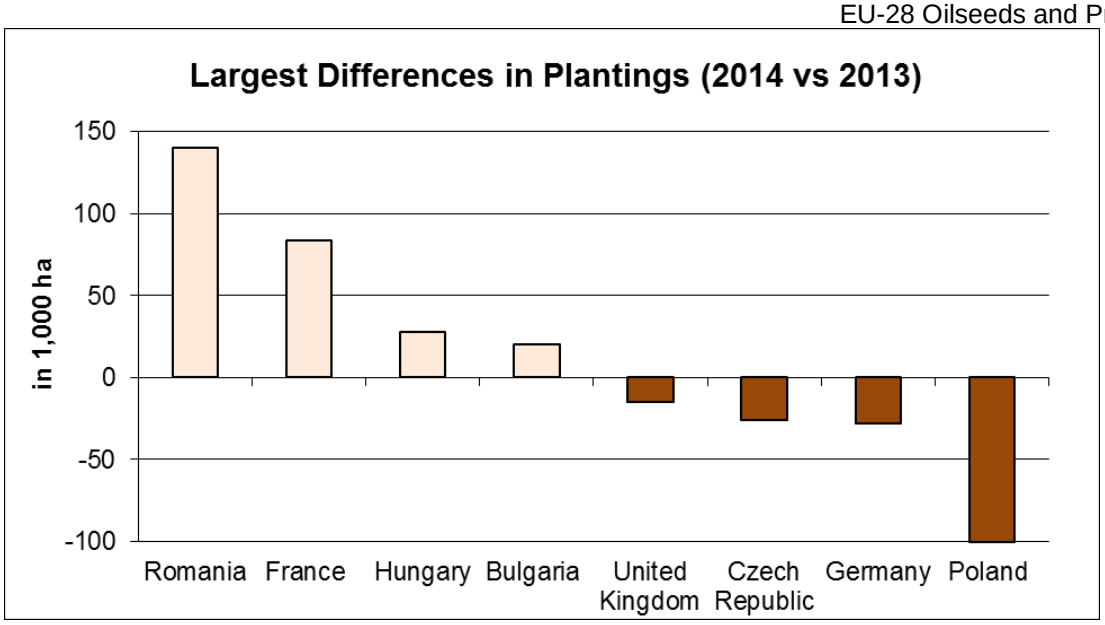
Europe's demand for rapeseed outstrips domestic supply, which leads imports of large quantities of rapeseed for crushing. Canada produces varieties of GMO rapeseed that are not yet approved for use in the EU and for this reason Canada is no longer a major supplier for the European market. Ukraine and Australia remain as the only major suppliers for Europe. Occasionally, countries like Russia, Moldova, Serbia, and Kazakhstan also export minor volumes of rapeseed to the EU market. Imports of rapeseed products has increased in recent years but, compared to the total market, the volumes remain small.



Source: Global Trade Atlas

MY 2014/15

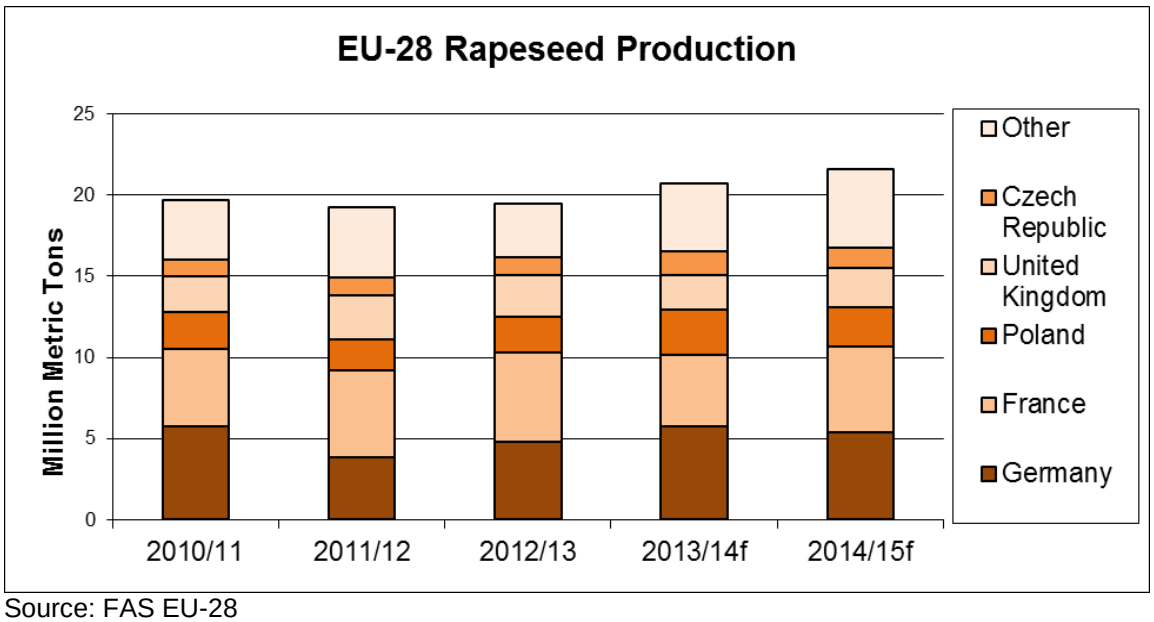
In total, EU farmers planted more rapeseed area in MY 2014/15 than they harvested in MY 2013/14. Acreage is expected to increase by 0.1 Million ha to 6.9 Million ha. The increase is mainly due to higher acreage in Romania and France and, to a lesser extent, in Hungary and Bulgaria. The increase in these countries more than offset lower acreage in Poland, Germany, the Czech Republic and the United Kingdom.



Source: FAS EU-28

Planted acreage in Romania is returning to normal levels since farmers had good sowing conditions and there are no severe problems with winterkill due to mild temperatures in winter. The acreage in France shows a significant rebound from the low levels the previous season, which were hurt by poor weather. Lower prices for rapeseed led to a reduction of rapeseed plantings in Poland. Generally, conditions of rapeseed plantings are pointing towards a very good MY2014/15 harvest. If weather permits, there is a good chance for record rapeseed production in the European Union.

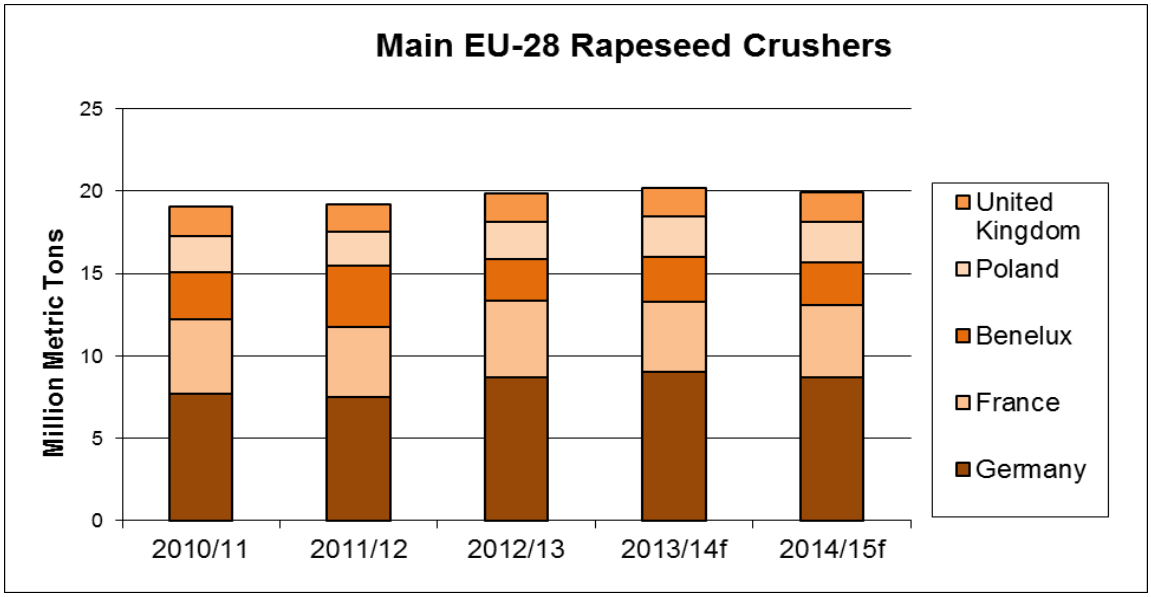
Total EU-28 rapeseed production is forecast at 21.6 MMT in MY 2014/15, which is two percent more than the estimate for production in 2013/14. The bumper crop will lead to a decrease of imports of rapeseed from Ukraine and Australia. Exports of rapeseed are stable on a high level. It depends on the market situation if other countries will emerge as destinations besides the traditional markets in Turkey, Israel, Norway, and Switzerland. Expectations are for a record EU production of rapeseed but expectations are also for an abundant supply of soybeans on the world market in MY 14/15. With crushers preferring soybeans over rapeseed due to the protein and oil content, rapeseed crush is estimated to be stable on a high level. But, this will also depend on the market situation and prices for soybeans, rapeseeds and their products. The expanding European dairy industry will be the main driver with its demand for rapeseed meal. As there is abundant supply of domestic rapeseed, stocks will be higher at the end of the MY 2014/15.



Source: FAS EU-28

MY 2013/14

Preliminary final data shows an increase for EU-28 rapeseed production compared with MY 2012/13. Estimate for production in MY 2013/14 was further revised upwards due to adjustments in Poland and Bulgaria. Imports are estimated to stay on a high level due to high availability and low prices on the world market. Rapeseed crush was extremely high in the first months of MY 2013/14 since rapeseed prices were down and crush margins were profitable. Since there is ample supply of domestic rapeseed, the EU-28 is expected to quadruple its exports in MY 2013/14. European rapeseed was shipped in large quantities to Mexico and Canada for the first time. However, higher exports cannot offset the ample supply of domestic rapeseed and stable imports. Ending stocks are expected to increase.



Source: FAS EU-28

Rapeseed Meal

Meal, Rapeseed European Union	2012/2013		2013/2014f		2014/2015f	
	Market Year Begin: Jul 2012		Market Year Begin: Jul 2013		Market Year Begin: Jul 2014	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Crush	22,680	22,500	22,670	22,800		22,800
Extr. Rate, 999.9999	1	1	1	1		1
Beginning Stocks	141	141	89	126		126
Production	13,057	12,600	13,051	12,800		12,800
MY Imports	414	413	350	400		400
MY Imp. from U.S.	0	0	0	0		
MY Imp. from EU	0	0	0	0		
Total Supply	13,612	13,154	13,490	13,326		13,326
MY Exports	272	278	250	350		300
MY Exp. to EU	0	0	0	0		
Industrial Dom. Cons.	0	0	0	0		
Food Use Dom. Cons.	0	0	0	0		
Feed Waste Dom. Cons.	13,251	12,750	13,120	12,850		12,900
Total Dom. Cons.	13,251	12,750	13,120	12,850		12,900
Ending Stocks	89	126	120	126		126
Total Distribution	13,612	13,154	13,490	13,326		13,326
1000 MT, PERCENT						

Source: FAS EU-28

Rapeseed meal production is projected to increase slightly in MY 2014/15 due to ample supply. Demand for rapeseed meal is driven by the expanding European dairy sector. The popularity of rapeseed meal for animal feed varies among EU countries. Its use is most pronounced in countries that have a long rapeseed crushing history and high dairy production like Germany, France, the Benelux and the UK. Due to high availability of rapeseed meal on the domestic market exports are expected to remain stable with Norway, Morocco, Switzerland and, Israel being the main destinations.

Rapeseed Oil

Oil, Rapeseed European Union	2012/2013		2013/2014f		2014/2015f	
	Market Year Begin: Jul 2012		Market Year Begin: Jul 2013		Market Year Begin: Jul 2014	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Crush	22,680	22,500	22,670	22,800		22,800
Extr. Rate, 999.9999	0	0	0	0		0
Beginning Stocks	156	156	92	81		81
Production	9,424	9,400	9,421	9,550		9,550
MY Imports	210	204	300	300		300
MY Imp. from U.S.	15	0	15	0		0
MY Imp. from EU	0	0	0	0		0
Total Supply	9,790	9,760	9,813	9,931		9,931
MY Exports	445	479	380	400		350
MY Exp. to EU	0	0	0	0		
Industrial Dom. Cons.	6,810	6,650	6,850	6,900		6,900
Food Use Dom. Cons.	2,438	2,500	2,400	2,500		2,500
Feed Waste Dom. Cons.	5	50	5	50		50
Total Dom. Cons.	9,253	9,200	9,255	9,450		9,450
Ending Stocks	92	81	178	81		131
Total Distribution	9,790	9,760	9,813	9,931		9,931
1000 MT, PERCENT						

Biofuels production is the major use for rapeseed oil in the EU-28. After a dip in MY 2012/13, the use of rapeseed oil for biodiesel is expected to increase slightly in MY 2013/14 and 2014/15. Food use of rapeseed oil is expected to remain stable. However, there is a general oversupply of rapeseed oil on the European market due to stronger competition with animal fats and recycled oils.

Source: FAS EU-28

Breakout of EU-28 Industrial Uses for Rapeseed Oil in 1000 MT

	MY 2012/13	MY 2013/14	MY 2014/15
Biofuels Use	5900	6300	6300
Other Industrial Uses	750	600	600
Total Industrial Use	6650	6900	6900

Source: FAS EU-28

4. Sunflower Complex

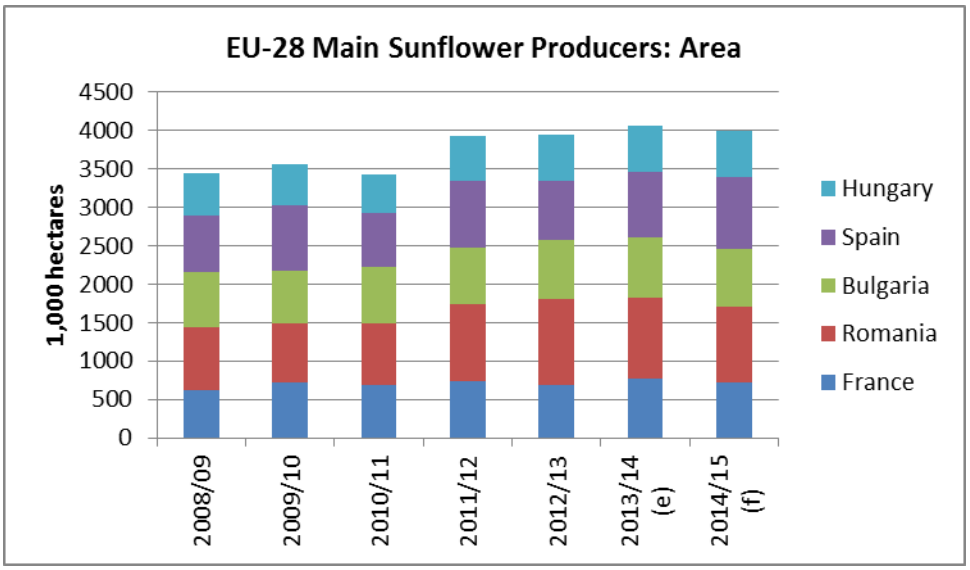
Coordinator: Mila Boshnakova, FAS/Sofia and Monica Dobrescu, FAS/Bucharest

Sunflower Seeds

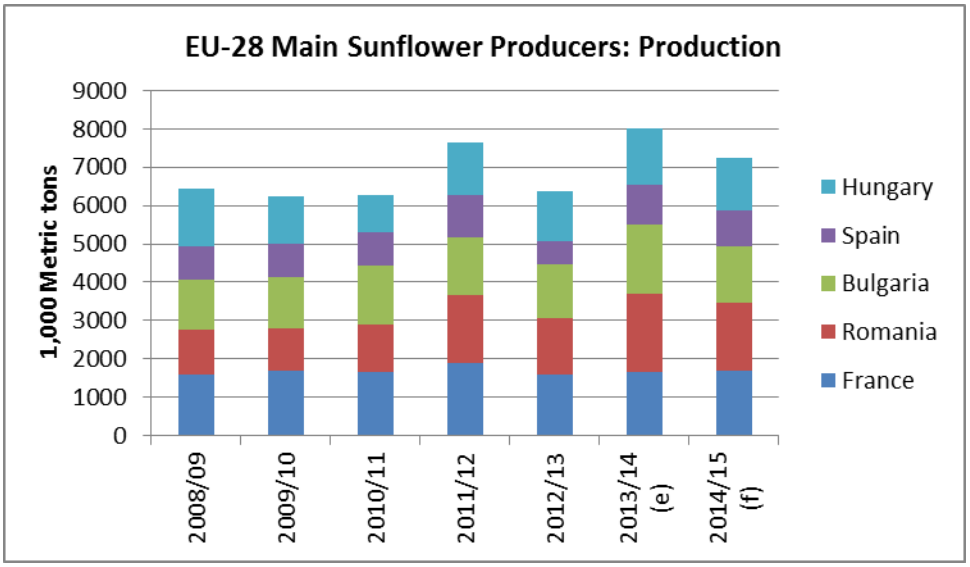
Oilseed, Sunflowerseed European Union	2012/2013		2013/2014		2014/2015	
	Market Year Begin: Oct 2012		Market Year Begin: Oct 2013		Market Year Begin: Oct 2014	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted	0	0	0	0		0
Area Harvested	4,290	4,236	4,400	4,387		4,331
Beginning Stocks	631	631	156	260		470
Production	6,999	7,131	8,700	8,705		7,900
MY Imports	209	209	250	240		240
MY Imp. from U.S.	50		0	0		0
MY Imp. from EU	0		0	0		0
Total Supply	7,839	7,971	9,106	9,205		8,610
MY Exports	521	521	750	750		500
MY Exp. to EU	0		0			0
Crush	6,562	6,540	6,977	7,200		6,950
Food Use Dom. Cons.	250	250	290	265		290
Feed Waste Dom. Cons.	350	400	460	520		490
Total Dom. Cons.	7,162	7,190	7,727	7,985		7,730
Ending Stocks	156	260	629	470		380
Total Distribution	7,839	7,971	9,106	9,205		8,610
1000 HA, 1000 MT						

Source: FAS EU-28

The EU-28 is a major producer and crusher of sunflower seeds. Trade is driven mainly by regional supplies from the Black Sea/Ukraine and Russia and demand from Turkey. Major production countries are France, Romania, Bulgaria, Hungary and Spain. Planted area has been on a steady tendency to increase over the past years and is likely to stay at the current higher level in the near term or grow moderately depending on the market conditions and demand for protein in the EU-28. Although production is generally vulnerable to droughts since larger producer regions are in the South, it has grown due to improving yields and technology over the past three years.

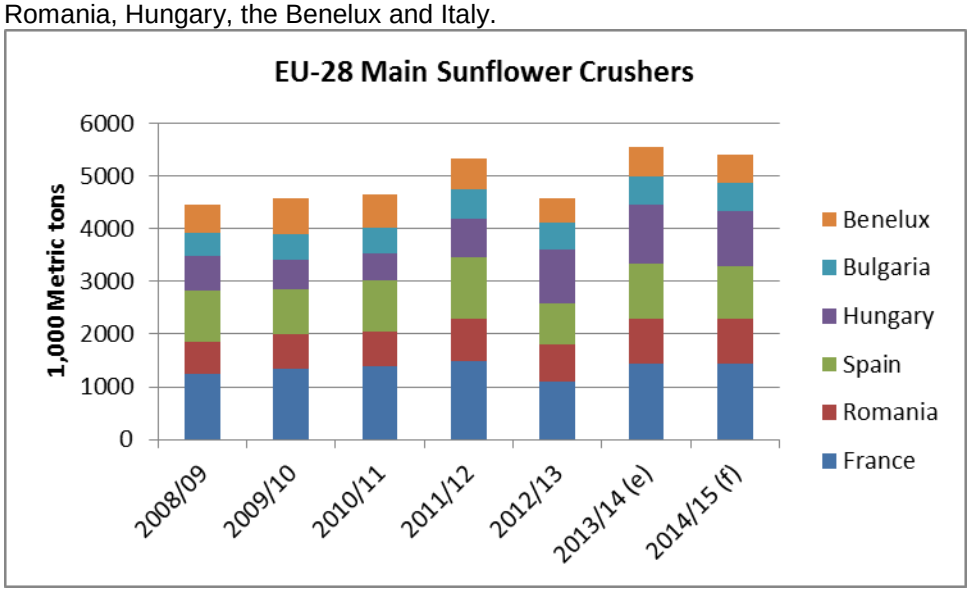


Source: FAS EU-28



Source: FAS EU-28

The leading sunflower seed suppliers to the EU are dominated by Black Sea exporters, Ukraine and Russia, followed by Argentina, the United States, Moldova and Serbia. In the EU, the largest crushers are France, Spain, Romania, Hungary, the Benelux and Italy.



Source: FAS EU-28

MY 2014/15

EU-28 Sunflower seed production is forecast to decline in MY 2014/15, following exceptional yields and production records in MY 2013/14 in all major producing countries France, Hungary, Spain, Romania, Bulgaria and Italy. Reductions in planted area, although not significant, are expected in Romania, Bulgaria and France while Hungary, Italy and Spain project stable planted areas, in the case of the later based on good soil water reservoirs as a result of favorable winter rains. Due to mild winter in most countries, re-seeding of winter crops will be almost non-existent which is limiting expansion in area, or in other cases there is a forecasted adjustment in competing crops such as corn. Thus, the EU-28 planted area is currently estimated to be 1.2 percent lower than in the MY 2013/14.

Sunflower seed production is projected at 7.9 MMT, which is 9 percent lower than in MY 2013/14 provided that weather conditions are normal and yields are at or slightly above average. This estimate is still below the record in MY 2013/14 when production reached 8.7 MMT. Among major producers only France expects further growth in average yields in MY 2014/15.

Imports are forecast to be stable under the assumption for lower domestic supply but also lower crush. Following abundant supply and record high demand for crush in MY 2013/14, the forecast is for a return to more traditional levels of crush and trade due to expected strong competition from soybeans and rapeseeds. Still, the projected levels of crush are higher than in years prior to MY 2013/14. Lower supply and expected decline in crush are likely to prevent any growth in exports to the global market, and to the EU-28. The EU-28 exports are anticipated to revert from the record level seen in MY2013/14 to its more traditional volumes seen in MY2012/13 due to the lower availability and likely tighter competition with other oilseeds on export markets.

Lower EU-28 supply is also forecast to lead to decline in crush, currently estimated at 3.5 percent compared to MY 2013/14, although it may still remain higher than the MY 2012/13 level thus confirming the trend for steady growth in EU crush use over the last several years due to expanding capacities and favorable domestic protein meals and food oil demand. We anticipate that EU-28 demand for sunflower meal and oil in MY 2014/15 will be good although at marginally lower levels for meal (3 percent lower) and stable for oil (0.5 percent lower), mainly due to other more competitive meals. Ending stocks are also projected to decrease by 19 percent to a tighter level thanks to lower availability and modest decline in EU-28 crush.

MY 2013/14

The current marketing year set several records for sunflower seeds and products sector for the EU-28. Sunflower seeds production was sharply upward (22 percent versus MY2012/13) and equal to USDA official estimate, mainly due to exceptional yields as a result of favorable weather and 3.5 percent increase in harvested areas in all major producing countries – Bulgaria, France, Hungary, Italy, Romania, but especially in Spain where production skyrocketed by 66 percent compared to the drought hit crop in the previous season. Due to very good weather conditions, large producing countries also report improved quality in terms of average oil content and impurities which contributed to attractive crushers' efficiency during the year.

Although EU-28 domestic supply was abundant, imports are currently projected to increase by 15 percent compared to the previous season due to more available and competitive exportable supplies from the new exporters such as Serbia and Moldova. Another reason for higher imports is the considerable growth in crush demand in the EU-28 as a result of increasingly attractive crush margins, and improving competitiveness of sunflower meal and oil compared to other oilseeds products.

Crush demand in all member states has been stable to higher and major crushing countries had estimated double-digit growth in crush use – France (31 percent), Benelux (22 percent), Spain (35 percent) and Romania (18 percent). Complex reasons are causing record crush such as abundant domestic supply, very attractive crush margins, competitive prices for sunflower seeds, as well as for sunflower meal relative to other meals, and for sunflower oil due to stable food use demand. Some member states report new investment in expanding of crush capacities. Thus, current estimates exceed previous estimates and are above USDA official data.

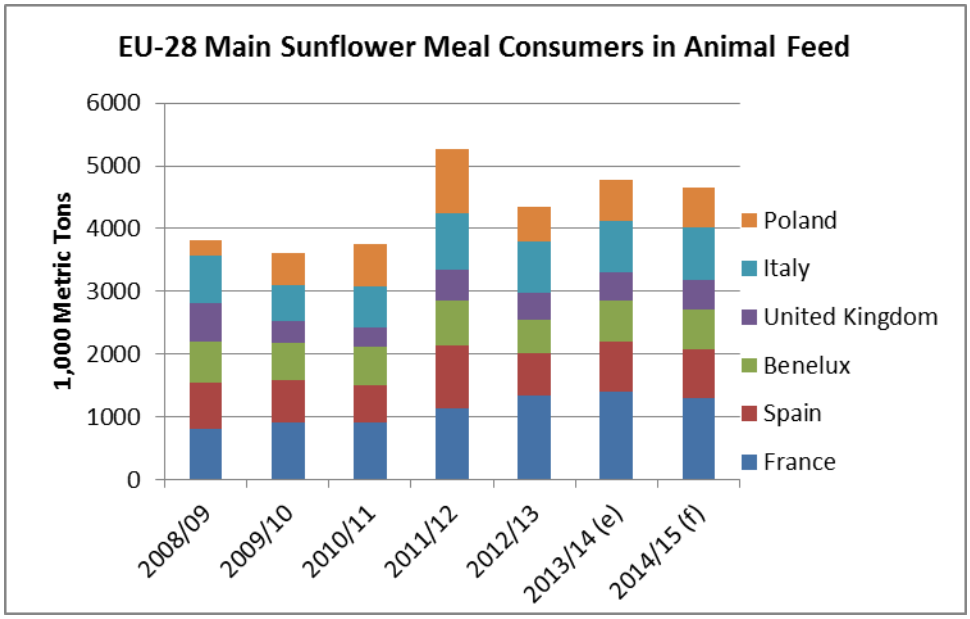
Another record has been established for EU-28 sunflower seeds exports to third countries with exports rising by more than three times during the first three months on the marketing year compared to the corresponding period in MY 2012/13. The main reason for this sharp growth is the strong demand from traditional markets (Turkey and the Balkan countries) as well as new export destinations such as Pakistan and South Africa. Another factor has been the absence of traditional competitors such as Ukraine, Russia and Argentina due to their own favorable domestic demand or lower crops (Argentina). Most of EU-28 exports are estimated to originate from Romania and Bulgaria. Given the above reasons, the export figure is identical with the USDA official.

Sunflower Meal

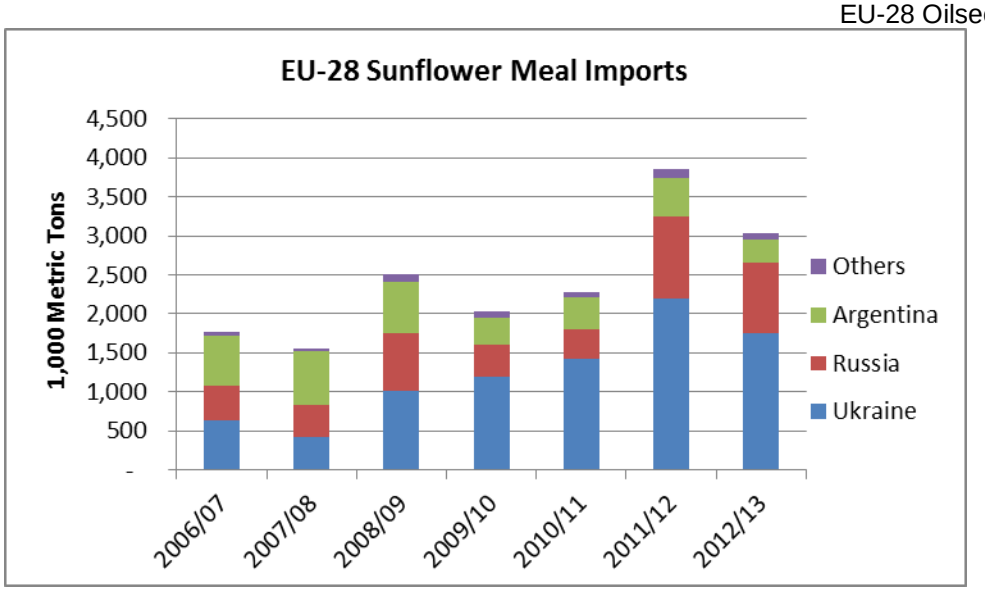
Meal, Sunflowerseed European Union	2012/2013		2013/2014		2014/2015	
	Market Year Begin: Oct 2012		Market Year Begin: Oct 2013		Market Year Begin: Oct 2014	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Crush	6,562	6,540	6,977	7,200		6,950
Extr. Rate, 999.9999	1	1	1	1		1
Beginning Stocks	660	660	77	67		177
Production	3,570	3,500	3,790	3,850		3,700
MY Imports	3,030	3,030	3,600	3,500		3,250
MY Imp. from U.S.	0	0	0	0		0
MY Imp. from EU	0	0	0	0		0
Total Supply	7,260	7,190	7,467	7,417		7,127
MY Exports	123	123	130	140		125
MY Exp. to EU	0	0	0	0		0
Industrial Dom. Cons.	0	0	0	0		0
Food Use Dom. Cons.	0	0	0	0		0
Feed Waste Dom. Cons.	7,060	7,000	7,175	7,100		6,900
Total Dom. Cons.	7,060	7,000	7,175	7,100		6,900
Ending Stocks	77	67	162	177		102
Total Distribution	7,260	7,190	7,467	7,417		7,127
1000 MT, PERCENT						

Source: FAS EU-28

Traditionally, the largest consumers of sunflower meal for animal feed are also leading producers of livestock, poultry and dairy. The lion's share of sunflower meal feed goes to Spain, France, the Benelux, Italy, followed by the United Kingdom and Hungary. Due to a strong and expanding local crush industry and policies restricting whole seed exports, Ukraine and Russia dominate sunflower meal exports to the EU, followed by Argentina. Turkey and Egypt remain the major export markets for EU-origin meal.



Source: FAS EU-28



Source: FAS EU-28

MY 2014/15

EU-28 sunflower meal output is forecast to decline 3 percent, in line with the decline in the crush estimate. Imports are likely to decline modestly (by 7 percent) compared to the current year since the EU is likely to shift somewhat to soybean meal and rapeseed meal. Consumption of sunflower meal in feed is projected to shrink moderately compared to the current year (by 3 percent) due to expected better availability and competitiveness of other meals. However, sunflower meal has been increasingly incorporated in feed ratios and has had stable and growing demand over the last 4 years. Exports are likely to return to more traditional level compared to higher volumes in the current year.

MY 2013/14

Sunflower meal production is estimated at an all-time high and 10 percent over the previous season due to better crush. The current estimate is above USDA official data.

Despite excellent availability, demand by the feed industry has been so favorable that it stimulated a growth in imports as well. Thus, over the first three months of MY 2013/14 imports were 30 percent higher than in the previous season. Growth in imports is also related to the good and competitively priced regional exportable supplies, most of them sourced from the Black Sea countries, as well as more expensive soybean meal. Due to likely limited exportable supplies from Argentina in the second half of MY 2013/14 because of lower crop in this country, most likely imports will continue to be sourced from Black Sea suppliers. Currently, imports for MY 2013/14 are estimated to be marginally below USDA official estimate due to temporary uncertainty of Black Sea supplies.

Due to very good availability, imports and domestic demand, the sunflower meal use for feeding has been increased by 1.4 percent. Currently, there is a clear trend of stable or higher sunflower meal use in feed with the most pronounced growth estimated for Benelux (23 percent), Poland and Spain (15 percent each).

Sunflower meal exports during the first three months in MY2013/14 were 242 percent above the previous season due to good supplies and competitive prices combined with favorable demand on traditional export markets. In addition to major importers (Turkey and Egypt), exports expanded to Morocco and Israel. Current estimates for the annual exports are marginally above USDA official data.

Sunflower Oil

Oil, Sunflowerseed European Union	2012/2013		2013/2014		2014/2015	
	Market Year Begin: Oct 2012		Market Year Begin: Oct 2013		Market Year Begin: Oct 2014	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Crush	6,562	6,540	6,977	7,200		6,950
Extr. Rate, 999.9999	0	0	0	0		0
Beginning Stocks	175	175	28	108		211
Production	2,753	2,750	2,925	3,050		2,930
MY Imports	942	942	1,230	1,050		1,000
MY Imp. from U.S.	0	0	0	0		0
MY Imp. from EU	0	0	0	0		0
Total Supply	3,870	3,867	4,183	4,208		4,141
MY Exports	239	239	160	245		215
MY Exp. to EU	0	0	0	0		0
Industrial Dom. Cons.	210	200	250	260		220
Food Use Dom. Cons.	3,390	3,300	3,575	3,475		3,500
Feed Waste Dom. Cons.	3	20	3	17		15
Total Dom. Cons.	3,603	3,520	3,828	3,752		3,735
Ending Stocks	28	108	195	211		191
Total Distribution	3,870	3,867	4,183	4,208		4,141
1000 MT, PERCENT						

Source: FAS EU-28

The EU-28 is a net importer of sunflower oil, mainly used for food purposes. The largest exporters of sunflower oil outside the EU are Spain, Hungary, Bulgaria and Romania, while France, Hungary, Spain and Romania lead domestic EU exports.

MY 2014/15

Sunflower oil output is forecast to decline by 4 percent due to lower projected crush. Imports are forecast to decrease by 5 percent due to a stable local food use but reduced use for biofuels (negative by 15 percent). Lower availability is estimated to lead to 12 percent weaker exports.

MY 2013/14

In MY2013/14, EU-28 sunflower oil production saw a record high that was up 11 percent from the previous year. Growth in output has been reported by all major production countries. Current estimates exceed slightly USDA official data.

Favorable domestic demand is met mainly by local supplies but also by growing imports of sunflower oil. The forecast is below USDA official estimate but still 11 percent above the previous season.

Imports in the first quarter of the marketing year were 17 percent lower due to better domestic availability. However, it is expected to accelerate later in the year due to abundant and competitive regional supplies (Ukraine, Russia), and favorable and more established EU-28 food use consumption. Current import estimates are below USDA official due to temporary uncertainty surrounding Black Sea supplies and limited exportable supplies from Argentina.

Sunflower oil for food use is estimated to be 5.3 percent higher than in the previous season, mainly due to improving price competiveness. The estimate is still below USDA official data. Most member states report stable consumption (Czech Republic, Portugal, United Kingdom, Italy, Germany, France, Spain) while others report stable or growing food use (Benelux, Bulgaria, Hungary, Romania, Poland).

Sun oil exports set a new record for the October-December 2013 period and were 2.4 times higher than last year. This reflects good demand from traditional (Turkey, Switzerland and FYROM) and new importers (South Africa and Singapore). Annual exports are currently estimated to be higher than USDA official data.

Breakout of EU-28 Industrial Uses for Sunflower Oil in 1000 MT

	MY 2012/13	MY 2013/14	MY 2014/15
Biofuels Use	150	200	165
Other Industrial Uses	50	60	55
Total Industrial Use	200	260	220

Source: FAS EU-28

5. Palm Kernel Complex

Coordinator: Bob Flach, FAS/The Hague

Oilseed, Palm Kernel European Union	2012/2013		2013/2014		2014/2015	
	Market Year Begin: Jan 2013		Market Year Begin: Jan 2013		Market Year Begin: Jan 2015	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted	0	0	0	0		0
Area Harvested	0	0	0	0		0
Trees	0	0	0	0		0
Beginning Stocks	0	0	0	0		0
Production	0	0	0	0		0
MY Imports	15	15	20	15		15
MY Imp. from U.S.	0	0	0	0		0
MY Imp. from EU	0	0	0	0		0
Total Supply	15	15	20	15		15
MY Exports	0	0	0	0		0
MY Exp. to EU	0	0	0	0		0
Crush	15	15	20	15		15
Food Use Dom. Cons.	0	0	0	0		0
Feed Waste Dom. Cons.	0	0	0	0		0
Total Dom. Cons.	15	15	20	15		15
Ending Stocks	0	0	0	0		0
Total Distribution	15	15	20	15		15
1000 HA, 1000 TREES, 1000 MT						

Source: FAS EU-28

Meal, Palm Kernel European Union	2012/2013		2013/2014		2014/2015	
	Market Year Begin: Jan 2013		Market Year Begin: Jan 2013		Market Year Begin: Jan 2015	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Crush	15	15	20	15		15
Extr. Rate, 999.9999	1	1	1	1		1
Beginning Stocks	0	0	0	0		0
Production	8	8	11	8		8
MY Imports	2,641	2,641	2,600	2,500		2,500
MY Imp. from U.S.	0	0	0	0		0
MY Imp. from EU	0	0	0	0		0
Total Supply	2,649	2,649	2,611	2,508		2,508
MY Exports	0	0	0	0		0
MY Exp. to EU	0	0	0	0		0
Industrial Dom. Cons.	549	500	550	500		500
Food Use Dom. Cons.	0	0	0	0		0
Feed Waste Dom. Cons.	2,100	2,149	2,061	2,008		2,008
Total Dom. Cons.	2,649	2,649	2,611	2,508		2,508
Ending Stocks	0	0	0	0		0
Total Distribution	2,649	2,649	2,611	2,508		2,508
1000 MT, PERCENT						

Source: FAS EU-28

Oil, Palm Kernel European Union	2012/2013		2013/2014		2014/2015	
	Market Year Begin: Jan 2013		Market Year Begin: Jan 2013		Market Year Begin: Jan 2015	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Crush	15	15	20	15		15
Extr. Rate, 999.9999	0	0	0	0		0
Beginning Stocks	32	32	82	37		35
Production	7	7	9	7		7
MY Imports	684	693	620	650		650
MY Imp. from U.S.	0	0	0	0		0
MY Imp. from EU	0	0	0	0		0
Total Supply	723	732	711	694		692
MY Exports	13	13	12	12		12
MY Exp. to EU	0	0	0	0		0
Industrial Dom. Cons.	210	250	210	235		230
Food Use Dom. Cons.	400	420	400	400		400
Feed Waste Dom. Cons.	18	12	20	12		12
Total Dom. Cons.	628	682	630	647		642
Ending Stocks	82	37	69	35		38
Total Distribution	723	732	711	694		692
1000 MT, PERCENT						

Source: FAS EU-28

In 2014 and 2015, EU palm kernel meal use for feed is expected to decline to about 2.0 MMT from 2.15 MMT in 2013. This slight reduction is a result of the increasing demand in Asia and Oceania in combination with the higher supply of mainly soybean meal. About half of the palm kernel meal is used in the Benelux countries, predominantly as an ingredient in cattle feed. During the past five years, the use in cattle feed has been about

twenty-five percent. Germany, the UK and Ireland also use palm kernel meal in livestock feed. The import and use of palm kernel oil increased by nearly twenty percent in 2013, but is expected to decline following lower exportable supplies in Asia.

6. Palm Oil

Coordinator: Bob Flach, FAS/The Hague

Oil, Palm European Union	2012/2013		2013/2014		2014/2015	
	Market Year Begin: Jan 2013		Market Year Begin: Jan 2013		Market Year Begin: Jan 2015	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted	0	0	0	0		0
Area Harvested	0	0	0	0		0
Trees	0	0	0	0		0
Beginning Stocks	360	360	745	752		702
Production	0	0	0	0		0
MY Imports	6,737	6,781	6,100	6,200		6,100
MY Imp. from U.S.	0	0	0	0		0
MY Imp. from EU	0	0	0	0		0
Total Supply	7,097	7,141	6,845	6,952		6,802
MY Exports	139	139	150	150		150
MY Exp. to EU	0	0	0	0		0
Industrial Dom. Cons.	2,708	2,900	2,800	2,900		2,850
Food Use Dom. Cons.	3,230	3,000	2,980	2,900		2,850
Feed Waste Dom. Cons.	275	350	275	300		300
Total Dom. Cons.	6,213	6,250	6,055	6,100		6,000
Ending Stocks	745	752	640	702		652
Total Distribution	7,097	7,141	6,845	6,952		6,802
1000 HA, 1000 TREES, 1000 MT						

Source: FAS EU-28

Palm Oil 2014

During the past ten years, EU imports of palm oil more than doubled from about 3 MMT in 2003 to 6.8 MMT in 2013. This growth is mainly attributable to the increased imports of crude palm oil through the port of Rotterdam. Currently, the refining capacity in this port is estimated to be more than 2 MMT per year. While EU imports of crude palm oil increased from 1.1 MMT to 5.4 MMT, refined palm oil imports fluctuated between 1.0 and 1.5 MMT since 2000.

After a temporary reduction of EU palm oil imports in 2011, imports recovered in 2012 and 2013. The upturn is partly caused by the increased refining capacity in the port of Rotterdam. In Rotterdam a new biofuel plant with an annual capacity of 800,000 MT of biofuel is operational since December 2011. Besides the Netherlands also Italy and Spain increased their third country imports by respectively about 0.35 MMT and 0.25 MMT during 2013. In line with the Dutch imports, the surplus of palm oil imported by Italy and Spain was destined for biofuel production and mainly sourced from Indonesia.

EU palm oil use for industrial purposes, including combustion for combined heat and power (CHP) and production of biofuels, is estimated at about 2.9 MMT in 2013. Biofuel production was a growth market for palm oil. For 2013, the use of palm oil for biofuel production is estimated at 1.5 MMT, an increase of 0.5 MMT compared to 2012. The use for biofuel production is expected to stagnate at this level as production of the plant in Rotterdam has reached its full capacity. The company's goal is to use a maximum of fifty percent palm oil and forty percent waste oils and fats as feedstock. If palm oil is used for the production of biofuels it must be certified as sustainable as laid down on the Renewable Energy Directive (RED). The European Commission approved the RSPO program as compliant with the RED as from December 14, 2012, for a period of five years.

During the past ten years, palm oil use by the food processing and feed compound industry steadily increased due to further market penetration. The main factor on which these sectors are choosing palm oil as ingredient is the beneficial price margin with other vegetable oils. During 2013, however the price difference with other

vegetable oils declined, while palm oil price significantly increased, in particular during the last quarter of 2013 and the first quarter of 2014. As a result, palm oil is losing competiveness with other oils and fats, and use in mainly the food sector is anticipated to slightly decline. In some MS such as France, palm oil is facing growing criticism for its rumored negative impact on human health. Sustainability certification is an important factor for further penetration in the food market. In the EU, the sectors in the Netherlands, the United Kingdom and Belgium set the goal of using only palm oil certified by the Roundtable on Sustainable Palm Oil (RSPO) by the end of 2015. In December 2013, the production of RSPO certified palm oil reached 9.8 MMT, which is about seventeen percent of the annual global production.

Breakout of EU-28 Industrial Uses for Palm Oil in 1000 MT

	MY 2012/13	MY 2013/14	MY 2014/15
Biofuels Use	1,500	1,500	1,500
Other Industrial Uses	1,400	1,400	1,350
Total Industrial Use	2,900	2,900	2,850

Source: FAS EU-28

7. Peanut Complex

Coordinator Jennifer Wilson, FAS/London

Peanuts

Oilseed, Peanut European Union	2012/2013		2013/2014		2014/2015	
	Market Year Begin: Oct 2012		Market Year Begin: Oct 2013		Market Year Begin: Oct 2014	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted	0		0	0		0
Area Harvested	0		0	0		0
Beginning Stocks	5	5	31	5		5
Production	0	0	0	0		0
MY Imports	823	828	775	750		730
MY Imp. from U.S.	60	198	60	100		60
MY Imp. from EU	0	0	0	0		0
Total Supply	828	833	806	755		735
MY Exports	24	28	25	28		28
MY Exp. to EU	0	0	0	0		0
Crush	45	45	45	45		45
Food Use Dom. Cons.	725	752	725	674		654
Feed Waste Dom. Cons.	3	3	3	3		3
Total Dom. Cons.	773	800	773	722		702
Ending Stocks	31	5	8	5		5
Total Distribution	828	833	806	755		735
1000 HA, 1000 MT						

Source: FAS EU-28

The European Union is the largest importer of peanut and peanut products in the world. Trade in ready-shelled peanuts is increasing at the expense of in-shell (the latter now comprises only 12 percent of total tonnage). Competition among exporting nations has diverged in recent years: China and the U.S. lead exports of in-shell to the EU, while Argentina dominates the shelled peanut trade. Following the U.S. record harvest in 2012, imports from the U.S. rallied in MY 2012/13 to comprise 44 percent of EU in-shell imports. Despite higher stocks, the sharp reduction in U.S. peanut acreage in 2013 will affect the capacity of the U.S. to supply the EU through 2014, and China is likely to return to primary in-shell supplier by MY 2014/2015.

After years of consolidation, the EU peanut kernel market is dominated by very few large multi-national processors. The majority of shelled peanuts are supplied by Argentina (50-60 percent), and ultimately directed to the EU confectionery market. Other suppliers include China, the U.S. and increasingly Brazil. In general, U.S. shelled peanut trade with the EU has declined in the last decade as EU requirements for pesticide residues, aflatoxin levels, phytosanitary certificates and industry standards have meant that U.S. suppliers have sought to export elsewhere. As ample supply of peanuts is expected through MY 2013/2014, particularly from Argentina, EU imports are expected to remain strong through to MY 2014/2015.

Peanut Meal

Meal, Peanut European Union	2012/2013		2013/2014		2014/2015	
	Market Year Begin: Oct 2012		Market Year Begin: Oct 2013		Market Year Begin: Oct 2014	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Crush	45	45	45	45		45
Extr. Rate, 999.9999	0	0	0	0		0
Beginning Stocks	0	0	0	0		0
Production	18	20	18	20		20
MY Imports	6	6	40	20		20
MY Imp. from U.S.	0	0	0	0		0
MY Imp. from EU	0	0	0	0		0
Total Supply	24	26	58	40		40
MY Exports	0	0	0	0		0
MY Exp. to EU	0	0	0	0		0
Industrial Dom. Cons.	0	0	0	0		0
Food Use Dom. Cons.	0	0	0	0		0
Feed Waste Dom. Cons.	24	26	58	40		40
Total Dom. Cons.	24	26	58	40		40
Ending Stocks	0	0	0	0		0
Total Distribution	24	26	58	40		40
1000 MT, PERCENT						

Source: FAS EU-28

Peanuts for confectionery and other further processed product uses remains the focal point for trade. Peanut crushing within the EU has not increased in recent times. The main supplier to the EU of Peanut Meal is Senegal. Exports from West Africa are erratic and intrinsically linked to political levers, as well as extreme weather events. Several sources have reported varying levels of increase in production in Senegal in 2013 and therefore EU imports are forecast to return to 20,000 MT level in MY 2013/14 and MY 2014/2015.

Peanut Oil

Oil, Peanut European Union	2012/2013		2013/2014		2014/2015	
	Market Year Begin: Oct 2012		Market Year Begin: Oct 2013		Market Year Begin: Oct 2014	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Crush	45	45	45	45		45
Extr. Rate, 999.9999	0	0	0	0		0
Beginning Stocks	2	2	2	2		3
Production	15	15	15	16		15
MY Imports	66	66	80	66		70
MY Imp. from U.S.	0	0	0	0		0
MY Imp. from EU	0	0	0	0		0
Total Supply	83	83	97	84		88
MY Exports	2	2	3	2		2
MY Exp. to EU	0	0	0	0		0
Industrial Dom. Cons.	0	0	0	0		0
Food Use Dom. Cons.	79	79	91	79		84
Feed Waste Dom. Cons.	0	0	0	0		0
Total Dom. Cons.	79	79	91	79		84
Ending Stocks	2	2	3	3		2
Total Distribution	83	83	97	84		88
1000 MT, PERCENT						

Source: FAS EU-28

Although it undergoes further refinement after crushing, peanut oil must be labelled on EU food packaging as an allergen. This deters its widespread use in food applications. EU peanut oil consumption has declined in the last 7 years, and is increasingly substituted by other oils (such as sunflower and sesame oil) in Europe.

Before 2012, Senegal was the largest supplier of peanut oil to the EU. Brazil has now taken top spot and is showing increasing levels of trade in peanut oil with the EU. This is also the case, to a lesser extent with Argentina and Nicaragua. However, starting January 1, 2014 Argentina and Brazil are no longer eligible for preferential access when trading with the EU. This new tariff scenario could bring increasing attention and

opportunities to Central American and African countries, which already play an important role in supply of peanut oil.

8. Fish Meal

Coordinator: Bob Flach, FAS/The Hague

Meal, Fish European Union	2012/2013		2013/2014		2014/2015	
	Market Year Begin: Jan 2013		Market Year Begin: Jan 2014		Market Year Begin: Jan 2015	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Catch For Reduction	1,620	0	1,620	0		
Extr. Rate, 999.9999	0	0	0	0		0
Beginning Stocks	0	0	0	0		0
Production	430	430	450	420		420
MY Imports	330	330	420	360		380
MY Imp. from U.S.	2	2	2	0		0
MY Imp. from EU	0	0	0	0		0
Total Supply	760	760	870	780		800
MY Exports	209	209	200	200		200
MY Exp. to EU	0	0	0	0		0
Industrial Dom. Cons.	0	0	0	0		0
Food Use Dom. Cons.	0	0	0	0		0
Feed Waste Dom. Cons.	551	551	670	580		600
Total Dom. Cons.	551	551	670	580		600
Ending Stocks	0	0	0	0		0
Total Distribution	760	760	870	780		800
1000 MT, PERCENT						

Source: FAS EU-28

The EU is dependent on fishmeal imports to fulfill domestic demand. In 2013, imports declined to 330,000 MT from 466,000 in 2012. Reasons for this significant reduction are the increased domestic supply, the lower supply of fishmeal in South America and the relative lower soybean meal prices compared to 2012. Denmark is the main fishmeal producer in the EU, with an annual production generally fluctuating between 150,000 – 200,000 MT. In 2013, Danish production increased to about 140,000 MT from a record low of 90,000 MT in 2012. Despite imports from Peru halved in 2013, the country remained the main third country supplier. In 2014, EU imports are expected to recover supported by the growing aquaculture sector, and recovering fish meal production in South America. Germany and Denmark are the biggest markets for fishmeal in the EU. Together these countries account for about 85 percent of total EU imports.

9. Copra Complex

Coordinator: Leif Erik Rehder, FAS/Berlin

Meal, Copra European Union	2012/2013		2013/2014		2014/2015	
	Market Year Begin: Jan 2013		Market Year Begin: Jan 2014		Market Year Begin: Jan 2015	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Crush	0	0	0	0		0
Extr. Rate, 999.9999	0	0	0	0		0
Beginning Stocks	0	0	0	0		0
Production	0	0	0	0		0
MY Imports	10	11	20	11		11
MY Imp. from U.S.	0	0	0	0		0
MY Imp. from EU	0	0	0	0		0
Total Supply	10	11	20	11		11
MY Exports	0	0	0	0		0
MY Exp. to EU	0	0	0	0		0
Industrial Dom. Cons.	0	0	0	0		0
Food Use Dom. Cons.	0	0	0	0		0
Feed Waste Dom. Cons.	10	11	20	11		11
Total Dom. Cons.	10	11	20	11		11
Ending Stocks	0	0	0	0		0
Total Distribution	10	11	20	11		11
1000 MT, PERCENT						

Source: FAS EU-28

Copra is not produced and no longer processed in the EU-28. The EU-28 satisfies all its copra meal and coconut oil demand with imports.

In 2013, 2014 and 2015, imports of copra meal are expected to remain flat at 11,000 t with the Benelux countries being the main importer.

Oil, Coconut European Union	2012/2013		2013/2014		2014/2015	
	Market Year Begin: Jan 2013		Market Year Begin: Jan 2014		Market Year Begin: Jan 2015	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Crush	0	0	0	0		
Extr. Rate, 999.9999	0	0	0	0		0
Beginning Stocks	23	23	14	23		18
Production	0	0	0	0		0
MY Imports	734	750	700	710		710
MY Imp. from U.S.	0	0	0	0		
MY Imp. from EU	0	0	0	0		
Total Supply	757	773	714	733		728
MY Exports	24	30	15	25		20
MY Exp. to EU	0	0	0	0		
Industrial Dom. Cons.	240	240	230	240		240
Food Use Dom. Cons.	469	470	445	440		440
Feed Waste Dom. Cons.	10	10	10	10		10
Total Dom. Cons.	719	720	685	690		690
Ending Stocks	14	23	14	18		18
Total Distribution	757	773	714	733		728
1000 MT, PERCENT						

Source: FAS EU-28

In 2013 EU imports of coconut oil have increased to 750,000 t. Imports of coconut oil are expected to decrease slightly in 2014 due to more competitive prices of other vegetable oils. Over 90 percent of coconut oil is used in the Benelux and Germany.

10. Cottonseed Complex

Coordinator: Ornella Bettini, FAS/Rome

Cottonseed

Cottonseed EU-28	2012/2013		2013/2014		2014/2015	
	Market Year Begin: Oct 2012		Market Year Begin: Oct 2013		Market Year Begin: Oct 2014	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area	355	355	288	309		373
Beginning Stocks	22	22	22	22		22
Production	486	483	386	478		580
MY Imports	16	67	18	69		50
MY Imp. from U.S.	2	2	2	2		2
MY Imp. from EU	13	17	13	17		13
Total Supply	524	572	426	569		652
MY Exports	19	66	18	65		75
MY Exp. to EU	50	120	50	120		126
Crush	313	314	236	313		359
Food Use Dom. Cons.	2	2	2	2		2
Feed Waste Dom. Cons.	168	168	148	167		194
Total Dom. Cons.	483	484	386	482		555
Ending Stocks	22	22	22	22		22
Total Distribution	524	572	426	569		652
1000 HA, 1000 MT						

Source: FAS EU-28

Cottonseed Meal

Cottonseed Meal EU-28	2012/2013		2013/2014		2014/2015	
	Market Year Begin: Oct 2012		Market Year Begin: Oct 2013		Market Year Begin: Oct 2014	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Crush	313	314	236	313		359
Extraction Rate	0.482	0.482	0.483	0.482		0.482
Beginning Stocks	5	5	5	5		5
Production	151	151	114	151		173
MY Imports	4	11	4	11		5
MY Imp. from U.S.	1	1	1	1		1
Total Supply	160	168	123	167		184
MY Exports	1	18	1	18		25
MY Exp. to U.S.	0	0	0	0		0
Industrial Dom. Cons.	0	0	0	0		0
Food Use Dom. Cons.	0	0	0	0		0
Feed, Seed Waste Dom. Cons.	154	145	117	144		154
Total Dom. Cons.	154	145	117	144		154
Ending Stocks	5	5	5	5		5
Total Distribution	160	168	123	167		184
1000 MT						

Source: FAS EU-28

Cottonseed Oil

Cottonseed Oil EU-28	2012/2013		2013/2014		2014/2015	
	Market Year Begin: Oct 2012		Market Year Begin: Oct 2013		Market Year Begin: Oct 2014	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Crush	313	314	236	313		359
Extraction Rate	0.182	0.182	0.182	0.182		0.182
Beginning Stocks	5	5	5	5		5
Production	57	57	43	57		65
MY Imports	1	0	1	0		0
MY Imp. from U.S.	0	0	0	0		0
Total Supply	63	62	49	62		70
MY Exports	0	0	0	0		0
MY Exp. to U.S.	0	0	0	0		0
Industrial Dom. Cons.	0	0	0	0		0

Biofuels	0	0	0	0		0
Food Use Dom. Cons.	58	57	44	57		65
Feed, Seed Waste Dom. Cons.	0	0	0	0		0
Total Dom. Cons.	58	57	44	57		65
Ending Stocks	5	5	5	5		5
Total Distribution	63	62	49	62		70
1000 MT						

Source: FAS EU-28

Production

The EU-28 is a minor producer of cotton. EU-28 cotton production has declined by more than 50 percent following Common Agricultural Policy (CAP) reforms effective in 2006 that decoupled payments and reduced support and market barriers for a number of crops, including cotton. The EU-28 does not permit farmers to cultivate modern biotech cotton varieties, further hurting competitiveness. Only two EU-28 Members States, Greece (80 percent) and Spain (20 percent) grow significant amounts of cotton commercially. Cotton is a major agricultural crop in Greece, accounting for more than 8 percent of total agricultural output. More than 75,000 farmers grow cotton, producing about 80 percent of the EU crop. Thessaly, Macedonia, and Mainland Greece are the major cotton-producing areas. Cotton is planted from March 1 to April 15; the harvest occurs from October 1 to November 30. Most cotton is irrigated and machine harvested. Spain's cotton area is concentrated in the region of Andalusia, and it is progressively concentrating in the provinces of Seville and Cadiz. Cotton is grown on some of the best agricultural land, competing with other irrigated crops. Greece's MY 2013/14 cotton production is estimated at 298,000 MT (Metric Tons), 14.6 percent up from the previous season thanks to exceptional yields and more effective pest control. Quality is reported to be very good. Greece's MY 2014/15 cotton area is forecast to increase by 22.4 percent and, provided the yields remain high, MY 2014/15 production is forecast to easily meet or exceed MY 2013/14 range of production. In Spain, the modification of the payment system in MY 2009/10, along with favorable prices paid to producers has enabled a progressive recovery of the area planted to cotton over the last three MY. In MY 2014/15 area planted to cotton in Spain is expected to increase by 14 percent since farmers will likely switch from corn to cotton due to better expected crop margins. Another incentive to increase cotton area is to secure future CAP payments, as MY 2014/15 will be taken as a reference for future payments.

Crush

In Greece, about 58 percent of cottonseed production is crushed for oil (and oilseed cake) or retained for seed. In Spain, cottonseed production is not crushed, but used directly as animal feed (mostly dairy cows).

Trade

Greece is a major cottonseed exporter. Italy continues to be the main destination for Greek cottonseed exports, accounting for 47.8 percent of the total. In Greece, small amounts of cotton are imported for blending in the domestic spinning industry. Spanish cottonseed domestic demand is also satisfied by imports. Cote d'Ivoire, Greece, and Togo were the main suppliers to the Spanish cottonseed market during MY 2012/13.

11. Olive Oil

Coordinator: Marta Guerrero, FAS/Madrid

Oil, Olive European Union	2012/2013		2013/2014		2014/2015	
	Market Year Begin: Nov 2012		Market Year Begin: Nov 2013		Market Year Begin: Nov 2014	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted	0	0	0	0		0
Area Harvested	0	0	0	0		0
Trees	6,750	0	6,750	0		0
Beginning Stocks	445	445	164	108		208
Production	1,900	1,570	2,500	2,420		2,420
MY Imports	161	153	120	90		90
MY Imp. from U.S.	0	0	0	0		0
MY Imp. from EU	0	0	0	0		0
Total Supply	2,506	2,168	2,784	2,618		2,718
MY Exports	537	490	550	550		550
MY Exp. to EU	0	0	0	0		0
Industrial Dom. Cons.	50	20	50	50		50
Food Use Dom. Cons.	1,755	1,550	1,900	1,810		1,800
Feed Waste Dom. Cons.	0	0	0	0		0
Total Dom. Cons.	1,805	1,570	1,950	1,860		1,850
Ending Stocks	164	108	284	208		318
Total Distribution	2,506	2,168	2,784	2,618		2,718
1000 HA, 1000 TREES, 1000 MT						

Source: FAS EU-28

MY2014/15

Overall olive oil production in the EU-28 is expected to remain stable in MY2014/15. A production recovery is anticipated in Greece and average yields are projected in the other main European producing countries.

MY 2013/14

Production

Olive oil production in the EU is fairly concentrated in the Mediterranean area. Spain followed by Italy, Greece and Portugal are the main olive oil producers in the European Union.

After plummeting in MY2012/13, when prolonged dry weather halved yields, Spain's olive oil production is anticipated to hit record levels in MY2013/14. According to industry sources, contrarily to what was previously reported (SP1402), limited precipitation in the fall followed by winter rains that delayed harvest operations did not prevented Spain olive oil production from reaching new record levels.

Adverse climate conditions during September and October Italy's olive oil production is projected to be below MY2012/13 levels. Similarly, a severe drought during summer in Greece reduced dramatically Greece's projected olive oil.

Better olive oil performance in Spain and Portugal has offset the production decline occurred in Greece and Italy, and EU overall olive oil production has stayed at good levels.

Consumption

Main olive oil producing member states are also main consuming member states. Olive oil consumption in producing member states is fairly stable. In Spain, olive oil consumption represents nearly 70 percent of the country's total household oil consumption. In Greece, olive oil consumption remains steady despite the reduction of consumers' disposable income, consequence of the economic crisis.

A rise in the price of olive oil following reductions in crops in Europe in the previous marketing year resulted in reduced sales. Overall olive oil consumption in the EU is expected to rebound in MY2013/14. However, in the

UK, olive oil sales are showing their first marginal decline in decades as it is losing sales to rapeseed oil as this is a local product that has been effectively marketed for its health benefits.

Trade

The United States is the main destination for European olive oil exports. In MY2013/14 exports are projected to return to average levels and intra EU trade should return to near average after plummeting in MY2012/13, when domestic supply was limited.

High beginning stocks that were used up throughout MY2012/13, along with imports from non-EU countries such as Tunisia, Morocco, Syria and Argentina, partially made up for the domestic production decline. These imports are anticipated to return to normal levels in MY2013/14.

Beginning stocks in MY2013/14 were reportedly at very low levels, which should contribute to offset the impact on price from an overall EU larger crop.

12. Policy

Coordinator: Karin Bendz, FAS/USEU Brussels

The Common Agriculture Policy

On June 26, 2013, the European Parliament, the Council of Ministers and the European Commission reached a political agreement on reforming the Common Agricultural Policy (CAP) post-2013. The final package was approved by the Parliament in November 2013 and the Council in December 2013. All aspects of the reform were applicable starting January 2014 with the exception of the new direct payments structure (including "green" payments, and additional support for young farmers) which will apply from 2015.

The new CAP maintains the same two pillars, one with direct payments and one for rural development.

One important change is the "greening component" in Pillar 1, where the Commission suggests there should be three elements of greening that all farmers would have to comply with to receive direct payments. These three components are:

- Crop Diversification - Farmers must produce at least three different crops, each one accounting for a maximum of 70 percent and a minimum of five percent of each farm.
- Ecological focus areas – Farmers must reserve at least five percent of arable area for ecological use, i.e. field margins, hedges, trees, fallow land, landscape features, biotopes, buffer strips, afforested area. This area increases to seven percent after 2015. Protein crops are considered suitable for these areas; however, it is not yet specified exactly which specific crops that would be eligible.
- Conservation of permanent grassland – Farmers must not convert permanent grassland into another crop. The EU defines permanent grassland as grass that has been there for five years.

For more information on the new CAP see: http://www.usda-eu.org/topics/cap-reform/

Aid System for Oilseed

With the Agenda 2008 CAP reform, support for EU oilseeds farmers became decoupled, which means that starting in 2012 farmers no longer receive specific payment for growing oilseeds. This decoupling continues in the new CAP. The impact of the elimination of production-linked subsidies on the EU oilseeds market is marginal compared to the impact of the growing biofuels market.

The high demand for rapeseed for the production of biofuels led to increased prices which were enough of an incentive for farmers to increase rapeseed production over the last few years.

With the exception of the olive sector, there is no intervention buying, export subsidy or other market support programs available for oilseeds in the EU. The Commission can provide private storage aid (PSA) if there are

serious disturbances on the olive oil market in a certain region or the average price for one or more of the following products are recorded on the market during a period not less than two weeks:
• €1,779/ton for extra virgin olive oil
•€1,710/ton for virgin olive oil
•€ 1,524/ton for lampante olive oil
Under the new Single CMO, some changes have been introduced to the PSA scheme. The "reference threshold levels" can be revised based on production, market conditions and production costs to respond to adverse market situations.

Protein Deficiency

The EU suffers from an important protein deficiency and sees this as a vulnerability that could potentially cause price volatility and trade distortions. On March 7, 2011, a Member of the European Parliament, Martin Häusling, drafted an own-initiative report called "*EU Protein Deficit: what solution for a long standing problem"* on the protein deficiency and this draft report encouraged debates on how to increase production of vegetable proteins. See GAIN E60050

According to the report, EU protein crop production provides only 30 percent of the protein crops consumed as animal feed, and the portion is decreasing. The remaining 70 percent of the protein crops consumed in the EU today, especially soybeans, are imported mainly from Brazil, Argentina, and the United States. These imports are estimated to represent the equivalent of 20 million hectares cultivated outside the EU, or more than 10 percent of EU arable land. Currently around three percent of EU arable land is cultivated with protein crops. There is also an ongoing project on increasing the soy production in the Danube area.

In the new CAP there are some initiatives to increase the EU production of protein, such as the possibility to produce protein crops on the ecological focus areas. There is also an option for Member States (MS) to support protein crops with two percent of their national envelopes. Should any MS decide to use this support mechanism, it has to report it in advance to the EU Commission.

Blair House Agreement

The 1992 Blair House Memorandum of Understanding on Oilseeds (or Blair House Agreement (BHA)) between the United States and the EU was included in the EU WTO schedule of commitments and resolved a GATT dispute over EU domestic support programs that impaired U.S. access to the EU oilseeds market.

The BHA limited the EU oilseed planting area of mainly rapeseed, sunflower seed, and soybeans, for food and feed purposes to an adjusted maximum guaranteed area for those producers benefiting from crop specific oilseed payments. This resulted in a reduction of the EU oilseed production area and penalized production in excess of the maximum.

The BHA also limited the production of oilseeds not intended for human or animal consumption planted on set-aside land. Output of these oilseeds was limited to 1 MMT of byproducts expressed in soybean meal equivalent annually.

However, the EU asserts that, after changes to the CAP in 2008, which eliminated specific crop payments, there is no limit on EU production of oilseeds, although the BHA remains in force. This is still the case with the new CAP reform package.

Sustainability

Sustainable production practices are receiving increased attention in the EU. Discussions surrounding the sustainability of biofuels are prompting consideration of sustainability demands for food. These discussions on sustainability also generate more awareness of agricultural production causing deforestation and other environmental and social problems. As a result, some MS are adopting sustainability measures on palm oil and soybeans as they are the ones presented in the media as linked to deforestation.

Within the European Commission, DG Agriculture and DG Environment are focusing on resource issues such as carbon, water, and biodiversity. The mission of DG Agriculture is to promote the sustainable development of Europe's agriculture and to ensure the well-being of its rural areas. DG Environment also promotes sustainable development, with an emphasis to protect, preserve and improve the environment. Sustainable production is defined as an agricultural sector which is able to maintain viable production throughout the territory of the EU and which at the same time contributes to the EU's key environmental goals, including the protection of natural and cultural resources and the achievement of successful climate change mitigation and adaptation.

The Commission co-chairs the European Food Sustainable Consumption and Production Round Table, which began as an industry initiative. The objective of this roundtable is to help consumers and other stakeholders to make informed choices by providing them with accurate and understandable information on relevant product characteristics, including environmental performance. This will be done by the development of a common framework facilitating environmental assessments. There is currently one pilot project ongoing and a second one will be launched in May 2014.

EU Climate and Energy Package

The EU oilseeds market is increasingly affected by the development of the biofuels market. Biofuels are a major factor in agricultural markets and referred to in the Commission Report "Prospects for Agricultural Markets and Income in the EU 2012-22" stating that for arable crops the development are driven by the biofuel market, which is the most dynamic factor.

For biofuels to be eligible for financial support, they must comply with the sustainability criteria outlined in the Renewable Energy Directive (RED). These sustainability criteria have to be met by all biofuels whether produced within the EU or imported from another country. One of the criteria is to have at least 35 percent green house gas (GHG) savings compared to conventional fuels. Annex V of the RED presents default GHG values by feedstock. The GHG saving for biodiesel made from soybeans is 31 percent, and, therefore does not meet the required 35 percent limit. The default value for biodiesel made from rapeseed, which is the most common EU produced biodiesel, is set at 38 percent. The Commission is expected to update this Annex later this year.

As of April 1, 2013, the RED requires all biofuels to provide at least 35 percent GHG savings to qualify for financial support. Biodiesel made from soy oil and palm oil do not meet the threshold according to the default values set in the RED, however they still qualify if they were produced in a plant operational in January 2008 due to a grandfather clause in the RED, which expired on March 31, 2013.

In the absence of second generation biofuels, and investment in this sector, the demand for vegetable oil has increased and will lead to an even higher demand to produce biodiesel. According to the European Commission report, Prospects for Agricultural Markets and Income in the EU 2012-2020, the biodiesel sector accounts for over 40 percent of the demand in the EU oil market.

One area that was not included in the RED was the effect that the production of biofuel feedstock has on land use, commonly referred to as indirect land use change (ILUC). A proposal on how to deal with ILUC was published in October 2012. This issue has been intensively debated the last year, but no agreement has been made between the EU institutions yet. The Greek Presidency is hoping to reach agreement for this at a Council meeting in June 2014.

One goal of the proposal is to encourage the transition from first to second generation biofuels by setting a limit of five percent on first generation biofuels in 2020. The proposal also phases out support for first generation biofuels after 2020, increases the GHG saving requirement to 60 percent for installations starting operations after July 1, 2014, and introduces ILUC emission values on major crop groups.

Although most MS support the ILUC proposal, many of them do not agree with the five percent cap on first generation biofuels. Many MS believe this would threaten investments in the biofuels sector, which would lead to difficulties in achieving the ten percent renewable energy target in the transport sector by 2020. Reportedly, during recent discussions in Brussels there is an agreement that the cap on first generation biofuels should be kept, but that it should be higher than five percent. The five percent cap represents the amount of first generation biofuels currently being used in the EU.

On January 22, 2014, the Commission published a Communication on the 2030 Framework on Climate Change and Energy Policies. The proposal suggests a 40 percent GHG reduction, 27 percent renewable energy use, and improved energy efficiency. This has been discussed by Parliament and Council and the three EU institutions are aiming to reach a political agreement later this year. One of the most controversial parts in the current proposal is that there is no target set for biofuels after 2020. If this remains the case, when the political agreement has been made, this would potentially have a huge impact on the oilseed sector in the EU, given that essentially all growth in the EU oilseeds sector the last few years have been triggered by the biodiesel sector.

Biotech

Asynchronous Rate of Approvals on Soybeans

The EU livestock industry relies on imports of genetically engineered (GE) feed with soy products being the single largest agriculture import into the European Union (EU). However, the EU's slow approval of GE events restricts U.S. exports. On January 1, 2014, 68 events were awaiting approval and the number of applications continues to exceed the number of approvals. The delay in approvals creates risks for the trade. For example, U.S. farmers are pressuring GE producers to place high-oleic soybean varieties on the market though they have not yet been approved in the EU.

On June 8, 2013, Commission Implementing Regulation (EU) No 503/2013 was published establishing requirements for applications for GE approvals, such as 90-day feeding trials. Prior to this regulation being passed, the requirements were considered "guidance" and some developers of the GE products were already meeting some of the criteria despite the added risk and costs. However, U.S. exporters will face additional burdens and the risk assessment process is no longer purely based on scientific rationale, but also on compliance with the law, by making the requirements legally binding. Even more important is the fact that major problems with the implementation of current EU regulations on GE products are not addressed, specifically the unpredictable and non-transparent nature of the political decision-making process that follows the safety recommendations provided by the European Food Safety Authority (EFSA).

Low Level Presence

The EU does not have a commercially-viable low level presence policy (LLP). In the fall of 2009, shipments of around 180,000 metric tons of U.S. soy were denied entry into the EU because of the detection of dust from GE corn not yet approved in the EU. As a result of the situation, the EU quickly approved several GE corn products that were stuck in the EU approval process, so that soybean trade could resume.

In response to this incident, the EU announced a “technical solution” in 2011 in an attempt to minimize trade disruptions due to LLP of unapproved GE events in feed imports. Commission Regulation (EU) No 619/2011, which entered into force on July 20, 2011, permits the inadvertent presence in feed shipments of up to 0.1 percent of a GE product unapproved in the EU, if the product is approved in the country of export and it has been three months since EFSA concluded its completeness check.

In effect, with this “technical solution,” the EU chose not to introduce a commercially-viable policy to address the issue of LLP, but to maintain its zero tolerance position. Although the adoption of the “technical solution” demonstrates that the Commission is aware of the problems caused by asynchronous approvals, the fact that the measure is limited to 0.1 percent renders it commercially unviable.

Pesticides

Commission Implementing Regulation (EU) No 485/2013 restricts the use of three neonicotinoids (clothianidin, imidacloprid and thiametoxam) as of December 1, 2013, for a period of two years on crops attractive to honeybees, such as rapeseed, sunflowers, and soybeans. The Commission’s action is a response to EFSA’s report which identified "high acute risks" for bees by the use of these pesticides. The restrictions apply to seed treatment, soil application (granules) and foliar treatment on bee attractive plants and cereals. The Commission will review the conditions of approval of the three neonicotinoids within two years as soon as new information is available to take into account relevant scientific and technical developments.

13. Oilseeds GAIN Reports (EU-28 and Member States since January 2013)

German poultry industry gives up promise not to use GMO Soybeans |Biotechnology and Other New Production Technologies Poultry and Products|Berlin|Germany|2/21/2014

The German association of poultry farming withdrew its commitment to use non-GMO soybeans in poultry production. ZDG stated that the import of non-GMO soybean can no longer be guaranteed in 2014 since Brazil as the main supplier of non-GMO soybeans, is likely to cut its supplies by 50 percent in 2014. ZDG also said that the danger of cross-contamination between GMO and conventional crops during transport has risen. Germany is one of the EU’s largest poultry meat producers and it is estimated th...
German poultry industry gives up promise not to use GMO Soybeans _Berlin_Germany_2-19-2014

Olive Oil Production in Spain Set to Rebound |Oilseeds and Products|Madrid|Spain|2/28/2014

After plummeting in MY2012/13, when prolonged dry weather halved yields, Spain’s olive oil production is anticipated to recover to average levels in MY2013/14. The higher supply will allow for a recovery of exports and stocks. No major changes are anticipated in domestic consumption.
Olive Oil Production in Spain Set to Rebound _Madrid_Spain_2-12-2014

Grains and Oilseeds Market Update|Grain and Feed Oilseeds and Products|Sofia|Bulgaria|2/3/2014

The latest data for 2013 shows total crop production at a record high harvest of 10.4 MMT. Strong export demand sustained record exports through the end of calendar year 2013 but slowed in January 2014 with depletion of stocks and weakening of export demand. As of January 2014, potential annual export estimates have been updated based on most recent trade and consumption data which show increased potential exports for wheat at 3.3 MMT, corn at slightly below 2.0 MMT, and sunflower at 1.3 MMT....
Grains and Oilseeds Market Update_Sofia_Bulgaria_1-29-2014

Grains and Oilseeds Market Update|Grain and Feed Oilseeds and Products|Sofia|Bulgaria|12/17/2013

Bulgaria 2013 total crops harvest exceeded 10 MMT with the latest individual crop estimates exceeding previous expectations. Strong export demand early in marketing year 2013/14 sustained into the fall. As of December 2013, year-over-year export data show wheat up 57 percent; corn 13 times higher, and barley up 16 percent. Oilseed exports are also strong with sunflower seeds up 84 percent higher; and rapeseeds 62 percent higher. Fall planting finished on schedule with planted areas higher ...
Grains and Oilseeds Market Update_Sofia_Bulgaria_12-12-2013

Biodiesel Standing Report|Biofuels Oilseeds and Products|Madrid|Spain|12/13/2013

This report provides an overview of Spain’s biodiesel sector including Member State specific policy, production supply and demand data. Spain is among the three top MS in terms of biodiesel production capacity and consumption; however, competition from imports forced the large majority of the biodiesel plants to run idle for the last three years.
Biodiesel Standing Report_Madrid_Spain_11-26-2013

Grains and Oilseeds Market Update|Grain and Feed Oilseeds and Products|Sofia|Bulgaria|11/4/2013

Bulgaria enjoyed a bumper crop with total production of grains and oilseeds exceeding 10 MMT. This is a new record and 20 percent more than recorded in MY 2012/13. Bumper crops, overall good quality, along with logistical and storage issues for farmers, and favorable export demand (especially for feed wheat), all resulted in extra high commodity exports early in the marketing year. As of October 2013, MY13/14 wheat exports are 50 percent higher than in the same period of 2012; barley exports ...
Grains and Oilseeds Market Update_Sofia_Bulgaria_10-30-2013

2013 Romanian Grains Exports Positioned to Flourish |Agricultural Situation Grain and Feed Oilseeds and Products|Bucharest|Romania|10/17/2013

Romanian 2013 crop yields show significant improvement over 2012 due to more favorable growing conditions this year. Production is projected up by 26 percent for wheat, 50 percent for barley, and nearly 70 percent for corn this year as compared to last year. In addition to grains, the sunflower crop, a major crop in Romania, is expected to increase by 44 percent. The bumper supply has placed increased pressure on farmers with inadequate storage capacity to sell crops or schedule to return cre...
2013 Romanian Grains Exports Positioned to Flourish _Bucharest_Romania_10-9-2013

Olive Oil Update 2013|Oilseeds and Products|Rome|Greece|10/17/2013

Greece is the third largest olive oil producer in the world behind Spain and Italy. According to industry contacts, Greece's MY 2012/13 (November/October) olive oil production climbed to approximately 350,000 MT thanks to favorable weather. More than 80 percent of the Greek annual production is extra virgin olive oil. Per capita consumption of olive oil in Greece (20 Kg/year) is one of the highest in the world. Ninety percent of Greek olive oil is exported to the European Union: 80 percent i...
Olive Oil Update 2013_Rome_Greece_10-2-2013

Update - Expectations for Bumper Sunflower Crop|Oilseeds and Products Grain and Feed Biofuels|Vienna|Austria|10/17/2013

This report provides EU-28 (EU-27 and Croatia, which joined the EU on July 1, 2013) production, supply, and demand forecasts for oilseeds, protein meals and related products.
Update - Expectations for Bumper Sunflower Crop_Vienna_Austria_10-1-2013

Protesters block major soybean port|Biotechnology - GE Plants and Animals Oilseeds and Products Agricultural Situation|Berlin|Germany|8/26/2013

40 Protesters blocked the entrance of the port of Brake on Tuesday 20th of August to demonstrate against the import of biotech soybeans. The port of Brake is one of Germany's main entry points for soybean imports. Agriculture plays its role in the campaigns for the federal election in September since the Green party campaign against Large-Scale Agricultural Production and is openly advocating not just for an end on biotech cultivation in Europe but also for a ban on imports of biotech products.
Protesters block major soybean port_Berlin_Germany_8-21-2013

Record Breaking Rapeseed and Good Grains Crop in the Czech Republic|Grain and Feed Oilseeds and Products Agriculture in the News|Prague|Czech Republic|7/31/2013

Despite recent flooding, the first estimates of 2013 Czech crops are very positive. Grains overwintered well. Higher yields will generate nearly16 percent increase in total production on slightly smaller total planted area. Total grains production is forecast to reach 6.5 MMT. The 2013 rapeseed crop keeps pushing Czech agronomical limits with the largest sown area, and an increasing yield which should generate a record breaking rapeseed harvest of 1.3 MMT.
Record Breaking Rapeseed and Good Grains Crop in the Czech Republic_Prague_Czech Republic_7-23-2013

Below Average Temperatures in late Spring Help Spanish Cereal Crop |Grain and Feed Oilseeds and Products|Madrid|Spain|7/10/2013

Good yields are expected for most of Spain's grain growing regions. Official and industry sources concur in the production increase compared to last season. Higher production in Spain along with increased pasture availability will diminish feed grains dependency on imports and boost the use of domestically grown grains at the expenses of imports. Nevertheless, there could be import opportunities in those market niches where higher quality specifications are required.
Below Average Temperatures in late Spring Help Spanish Cereal Crop _Madrid_Spain_7-2-2013

Grains and Oilseeds Update|Grain and Feed Oilseeds and Products|Sofia|Bulgaria|6/3/2013

Bulgarian farmers completed spring planting activity by the beginning of May. Area planted under corn is higher than initially expected. Unusually hot and dry weather the latter half of April into May is having an adverse impact on winter crops, mainly rapeseeds crop. Some farmers have already begun to re-seed fields with spring varieties. Wheat and rapeseed crops average yields are expected to decline moderately absent significant rainfall in the near-term. Exports of grains and oilsee...
Grains and Oilseeds Update_Sofia_Bulgaria_5-28-2013

Select, Select Ample Soybean World Supplies to Boost EU-27 Soybean Meal Consumption|Oilseeds and Products|Vienna|EU-27|5/7/2013

Expectations for a total EU-27 oilseeds production in MY 2013/14 are for an 8.6 percent increase reaching 29.7 MMT. Compared

to the previous year rapeseed, sunflower and soybean production is forecast to grow. The increase is through higher acreage of rapeseed especially in Germany and Eastern European countries and normal yields of sunflower which were down in MY 2012/13 due to drought in major producing countries. Ample world supplies of soybeans and soybean meal in combination with a growi...
Oilseeds and Products Annual_Vienna_EU-27_4-5-2013

Grains and Oilseeds Market Update|Oilseeds and Products Grain and Feed|Sofia|Bulgaria|5/3/2013

Following 2012 fall draught and above normal temperatures, the winter was mild with snowfall around average. No winterkill damage was reported. Soil moisture levels have been replenished as a result of good rainfall in late March and first half of April. This provided not only such needed moisture for the fall crops but also favorable conditions for the spring planting. The weather in the second half of April is warm and dry and farmers quickly try to plant as much as they can to catch up th...
Grains and Oilseeds Market Update_Sofia_Bulgaria_4-30-2013

Arable Crops Hold Potential despite Record Precipitation|Agricultural Situation Grain and Feed Oilseeds and Products Sugar Wine Cotton and Products|Madrid|Spain|5/2/2013

Heavy precipitation in the winter and early spring throughout Spain is a dramatic contrast to the long drought faced across the country during the same period only one year ago. Continued rains and flooded conditions, especially in the riversides, have already caused losses in some orchards and fruit groves. Nevertheless, other crops such as grains and sunflower still hold good yield potential, provided that the end of the spring is not too wet and May temperatures are mild, particularly in So...
Arable Crops Hold Potential despite Record Precipitation_Madrid_Spain_4-26-2013

Romanian oilseeds are expected to return to normal levels|Oilseeds and Products Agricultural Situation|Bucharest|Romania|5/1/2013

Following the drought of last summer, oilseeds crops are expected to boost this year in terms of both volume and productivity. Mild winter and good soil moisture provide good prospects for rapeseeds, production being expected to triple compared to the previous year, which was an exceptionally poor year though. Sunflower area is predicted to decline, as a result of a lower available acreage for the spring crops, while soybean area is anticipated to remain flat.
Romanian oilseeds are expected to return to normal levels_Bucharest_Romania_4-26-2013

Grains and Oilseeds Market Update|Oilseeds and Products Grain and Feed|Sofia|Bulgaria|2/4/2013

The record summer drought and above average temperatures continued into the fall. The potential for record yields from fall crops has diminished, especially for the rapeseeds crop as winter weather to date has remained mild with below normal snowfall and soil moisture levels especially in North West Bulgaria. Absent a substantial recharge of subsoil moisture, growing conditions for spring crops will be less than optimal. Planted areas of fall wheat and barley exceed that of last year while r...
Grains and Oilseeds Market Update_Sofia_Bulgaria_1-30-2013

France Chooses Agro-Ecology for a More Sustainable Agriculture |Agriculture in the Economy Agriculture in the News Biofuels Biotechnology - GE Plants and Animals Climate Change/Global Warming/Food Security Oilseeds and Products Policy and Program Announcements Special Certification - Organic/Kosher/Halal|Paris|France|1/25/2013

Under France's recently formed government, the Ministry of agriculture has launched an initiative to make agriculture more sustainable, which aims to make France a champion of agro-ecology. Under this initiative, the Ministry puts forward practices that are environment-friendly and increase farms' autonomy. While the government's focus is on the environmental and social legs of sustainability, the economic dimension appears to have little value. Post recommends sharing successful conservation...
France Chooses Agro-Ecology for a More Sustainable Agriculture _Paris_France_1-14-2013

14. Related GAIN Reports (EU-28 since January 2013)

Domestic Supply Will Ease|Livestock and Products|The Hague|EU-28|3/4/2014

Based on official statistics, both cattle and swine slaughter is revised downwards from previously anticipated. However, the forecast of a higher meat production in 2014 remains intact. A higher availability of animals and an abundance of feed are the main reasons for this projection to stand. As a result of the Russian ban, China is likely to become the main export market for EU pork.
Livestock and Products Semi-annual_The Hague_EU-28_2-27-2014

EU Agricultural Biotechnology Developments 2013 11 22|Biotechnology - GE Plants and Animals|Brussels USEU|EU-27|12/4/2013

The EU's authorization system for Genetically Modified Organisms (GMOs) remains extremely slow. Only two applications for import had been authorized by June, 2013. However, on September 26, the EU Court of Justice (ECJ) ruled in favor of Pioneer Hi-Bred International Inc, stating that the European Commission "had failed to meet its obligations." As a result, the College of the Commissioners requested the Environment Council to authorize the cultivation of Pioneer Bt 1507 corn. We understand tha...
EU Agricultural Biotechnology Developments 2013 11 22_Brussels USEU_EU-27_11-25-2013

Select Recovery of Production Ahead|Livestock and Products|The Hague|EU-27|9/11/2013

After significant production cuts in 2012, EU beef and pork production are expected to rebound. EU beef production is forecast to

increase in 2014, and pork production in 2015. The main drivers are the increased efficiency of the sector, high carcass and milk prices, relatively low feed prices, and the abolishment of the milk quota in 2015. The recovery is however restricted to a minority of Member States, and exportable supplies are expected to be limited.
Livestock and Products Annual_The Hague_EU-27_9-6-2013

Agricultural Biotechnology Annual|Biotechnology and Other New Production Technologies|Paris|EU-27|8/23/2013

In the European Union (EU), governments, the media, non-governmental organizations, consumer groups, and industry associations remain conflicted about the use of agricultural biotechnology. Acceptance varies greatly among adopters, the hesitant, and opposed Member States (MS). For example, the technology has been widely adopted in Spain, where genetically engineered (GE) corn accounts for 30 percent of total corn area. By contrast, France is conflicted between embracing (science community, fe...
Agricultural Biotechnology Annual_Paris_EU-27_7-12-2013

Corn, Wheat, Oil, Soybean, Oil, Rapeseed, Oil, Palm EU Biofuels Annual 2013|Biofuels|The Hague|EU-27|8/16/2013

EU Member States are mandated to reach a minimum of 10 percent for renewable energy consumed in transport in 2020. To count against the 10 percent goal, biofuels must meet sustainability requirements laid down in the Renewable Energy Directive (RED). During 2007 – 2012, about a fifth of the domestic use of transport biofuels was imported from outside the EU, but a series of trade actions have been imposed to stymie this trade of bioethanol and biodiesel. The EC expects that solid biomass for ...
Biofuels Annual_The Hague_EU-27_8-13-2013

2013|Grain and Feed|London|EU-27|4/10/2013

The outlook for the MY2013/14 EU27 grain crop is generally positive. While there were some weather-related fall planting delays, the crops already in the ground are developing well with minimal winterkill. A partial thaw in February has been followed by a renewed cold spell across the EU27, which has raised concerns for the winter planted crops and delayed spring plantings. If the forecast crop of 292 MMT is realized, it will be a much more sizeable crop than last year but still 20 MMT below ...
Grain and Feed Annual_London_EU-27_4-4-2013

GM-Free Labeling Conference in the European Parliament|Biotechnology and Other New Production Technologies Trade Policy Monitoring FAIRS Subject Report|Brussels USEU|EU-27|3/18/2013

On March 6, 2013, the political group Greens/European Free Alliance organized a GM-free labeling conference in the European Parliament. Part of the conference was dedicated to the study commissioned by DG SANCO to assess existing GM-free labeling schemes in the EU Member States and the need for harmonization. This report provides a brief read-out of that part of the conference.
GM-Free Labeling Conference in the European Parliament_Brussels USEU_EU-27_3-13-2013

Animal Numbers, Cattle, Meat, Beef and Veal, Animal Numbers, Swine, Meat, Swine, Animal Numbers, Cattle, Animal Numbers, Swine, Meat, Beef and Veal, Meat, Swine Supply tightens, prices surge|Livestock and Products|The Hague|EU-27|3/1/2013

The limited number of animals available for slaughter returned the EU to being a net beef importer in 2012. This tight situation is expected to continue in 2013. EU pork production is also forecast to decline during 2012 and 2013. The new animal welfare regulations for sows have cut the breeding herd more significant than anticipated. In 2013, efficient swine production is expected to remain and forecast to benefit from elevated carcass prices and falling feed prices.
Livestock and Products Semi-annual_The Hague_EU-27_2-26-2013

Two Breakthroughs in U.S. exports to Europe |Livestock and Products Sanitary/Phytosanitary/Food Safety|Brussels USEU|EU-27|2/11/2013

EU lifts ban on lactic acid on beef: Commission Regulation (EU) No 101/2013, published on February 5, 2013, allows the application of lactic acid (LA) as a pathogen reduction treatment (PRT) on beef. This approval is a major breakthrough breaching the 15-year-old EU ban on PRTs. It will allow U.S. beef exporters to better take advantage of the EU beef quotas, worth $700 million, without forgoing customary food safety procedures. EU allows imports of U.S. live swine: On February 5, 2013, Commis...
Two Breakthroughs in U.S. exports to Europe _Brussels USEU_EU-27_2-5-2013